
THE COMMONWEALTH OF MASSACHUSETTS

\$469,635,000

General Obligation Bonds, Consolidation Loan of 2011

Consisting of

\$462,840,000 Series B and \$6,795,000 Series C

June 1, 2011

CLOSING DOCUMENTS

AUTHORIZATION AND SALE OF THE BONDS

1. Governor's request letter dated June 1, 2011 with respect to the Bonds.
2. Certificate regarding the minutes of the April 25, 2011 Finance Advisory Board Meetings, and copies of the Request for Waiver filed by the Office of the Treasurer and Receiver-General with respect to the Bonds.
3. Preliminary Official Statement dated May 13, 2011 with respect to the Bonds.
4. Official Statement dated May 24, 2011 with respect to the Bonds.
5. Bond Purchase Agreement dated May 24, 2011 between the Commonwealth and the Underwriters, acting through J.P. Morgan Securities LLC, as their representative, with respect to the Bonds.

CERTIFICATES OF COMMONWEALTH OFFICERS

6. Certificate dated June 1, 2011 of the Governor, Treasurer and Receiver-General, and Secretary with respect to signatures and other matters.
7. Certificate as to Tax Matters dated June 1, 2011 of the Treasurer and Receiver-General.
 - Certificate of the Underwriters as to issue price and other matters.
8. Certificate dated June 1, 2011 of the Attorney General with respect to litigation.
9. Certificate dated June 1, 2011 of the Treasurer and Receiver-General and the Comptroller with respect to the Debt Limit.
10. Certificate dated June 1, 2011 of the Treasurer and Receiver-General as to Bond allocation, as contemplated by Section 49 of Chapter 29 of the Massachusetts General Laws.
11. Certificate dated June 1, 2011 of the Comptroller with respect to schedule of bond funds.
12. Certificate of the Treasurer and Receiver-General and the Secretary of Administration and Finance dated June 1, 2011 with respect to the Preliminary Official Statement and the Official Statement.

13. Letters dated June 1, 2011 with respect to the information contained in the Commonwealth's Information Statement from certain Commonwealth officials.

DELIVERY OF THE BONDS

14. Evidence of ratings on the Bonds.
15. Cross Receipt and acknowledgement of the return of the good faith check.
16. Specimen Bonds (Series B).
17. Specimen Bonds (Series C).
18. Form 8038-G Information Return for Tax-Exempt Governmental Bond Issues relating to the Bonds.
19. Blanket Issuer Letter of Representations from the Commonwealth to The Depository Trust Company.

OPINIONS

20. Opinion dated June 1, 2011 of Nixon Peabody LLP, as bond counsel, addressed to the Treasurer and Receiver-General, in the form of Appendix C to the Official Statement, together with a reliance letter addressed to the Underwriters, relating to the Bonds.
21. Supplemental Opinion dated June 1, 2011 of Nixon Peabody LLP, as bond counsel, pursuant to the Bond Purchase Agreement.
22. Opinion dated June 1, 2011 of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., as disclosure counsel, pursuant to the Bond Purchase Agreement.
23. Opinion dated June 1, 2011 of McCarter & English, LLP, as counsel to the underwriters, pursuant to the Bond Purchase Agreement.

MISCELLANEOUS

24. Preliminary and Final Blue Sky Memorandum.
25. Closing Memorandum.

THE COMMONWEALTH
OF MASSACHUSETTS

\$469,635,000

GENERAL OBLIGATION BONDS, CONSOLIDATED LOAN OF 2011
CONSISTING OF

\$462,840,000 SERIES B AND \$6,795,000 SERIES C

JUNE 1, 2011

Prepared by:



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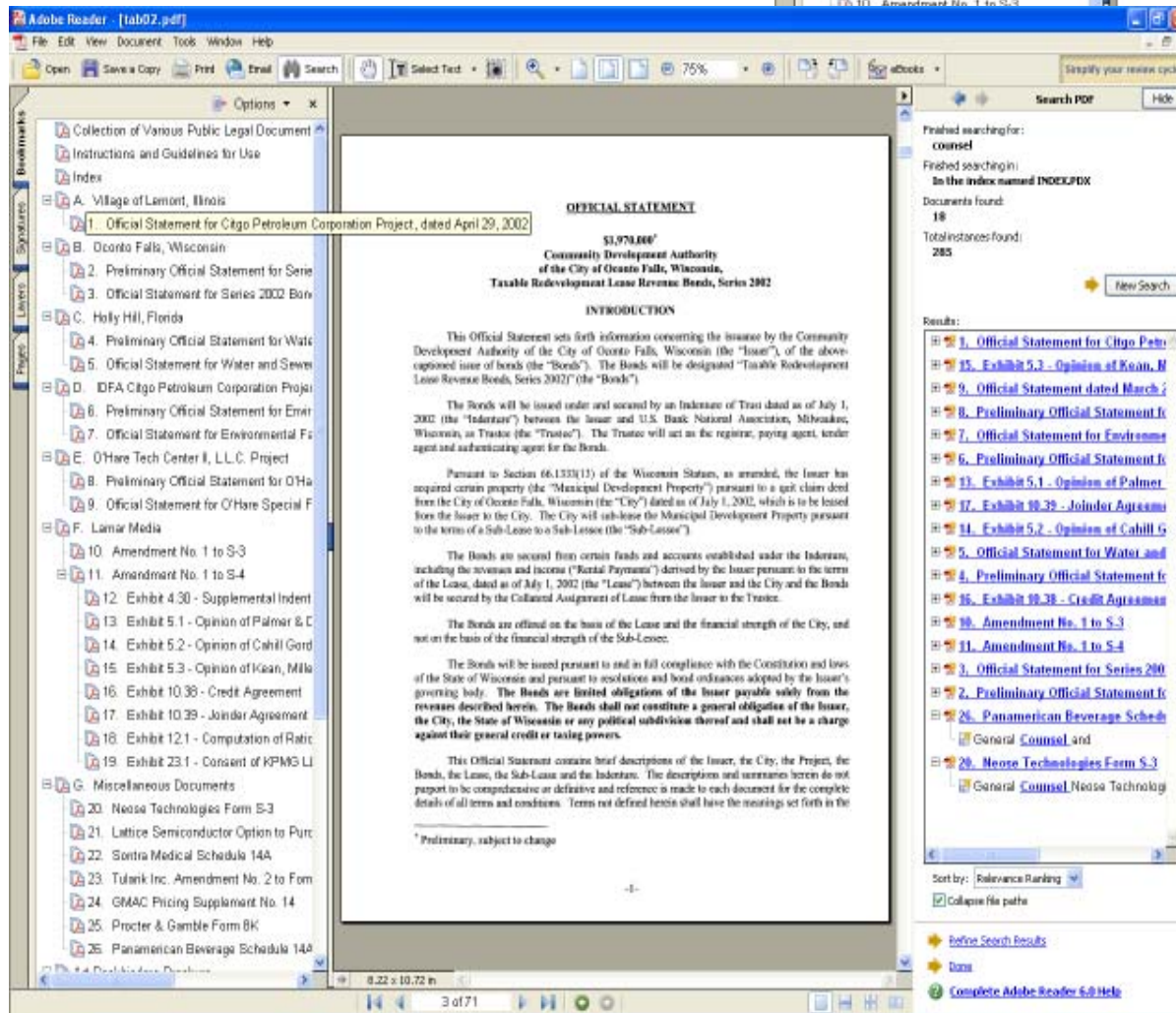
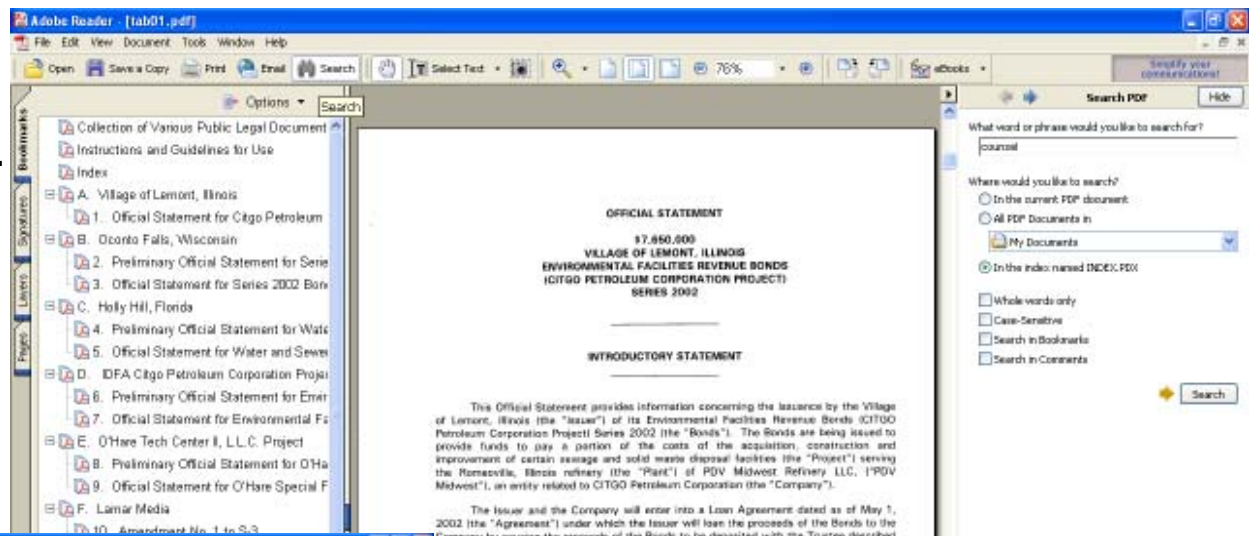


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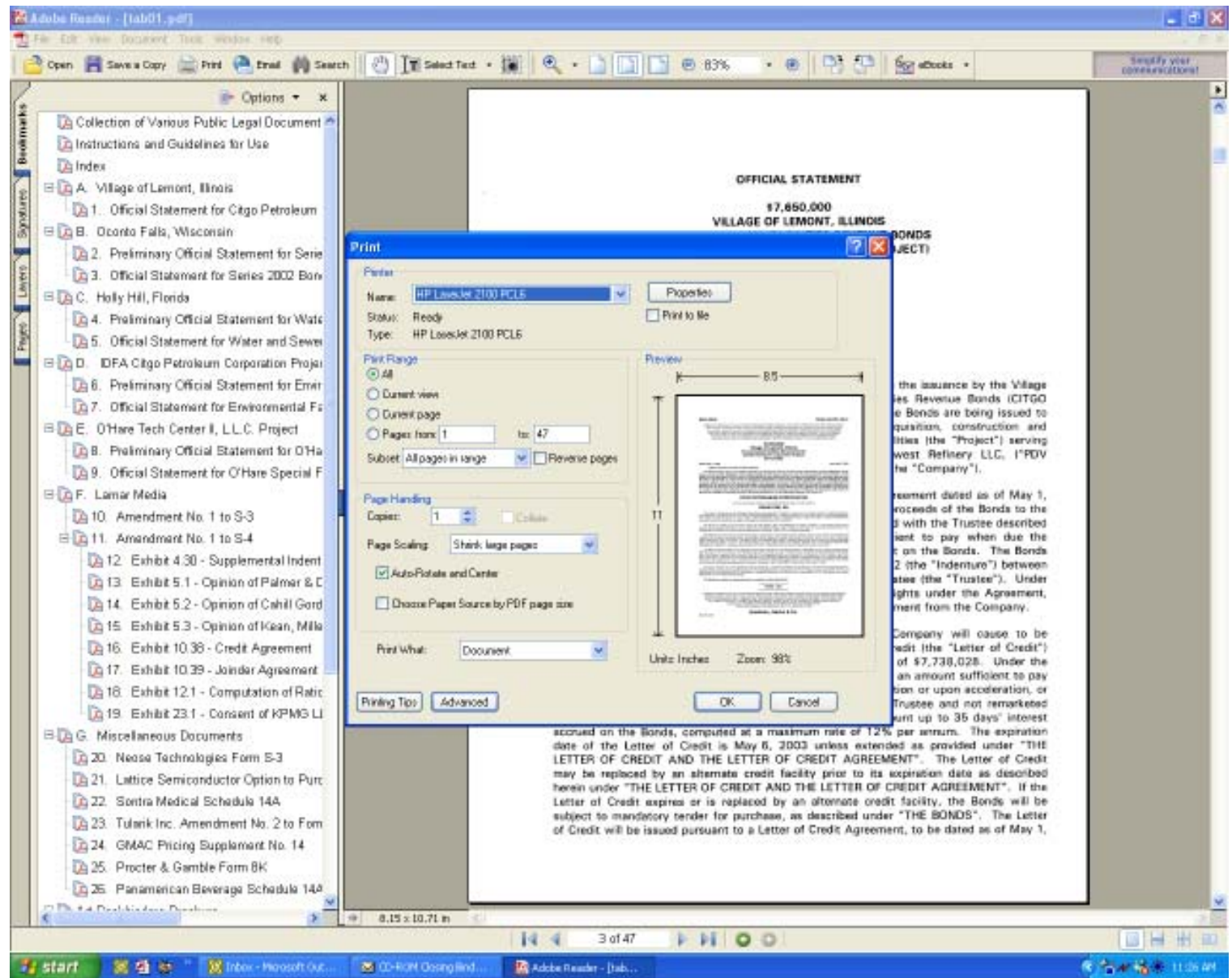
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The screenshot displays the Adobe Reader interface. On the left, a bookmarks pane lists various sections of the document, including 'Collection of Various Public Legal Document', 'Instructions and Guidelines for Use', 'Index', and a series of 'Official Statement' entries for different entities like 'Village of Lemont, Illinois', 'Oconto Falls, Wisconsin', and 'Holly Hill, Florida'. The main window shows a detailed view of a 'PRELIMINARY OFFERING MEMORANDUM DATED JUNE 13, 2002' for the 'Illinois Development Finance Authority Environmental Facilities Revenue Bonds (CITGO Petroleum Corporation Project) Series 2002'. The document includes sections for 'NEW ISSUE', 'BOOK-ENTRY ONLY', and 'CITGO PETROLEUM CORPORATION'. It details the terms of the bonds, including the interest rate, maturity, and the role of the Underwriter, SunTrust Capital Markets. The document is dated June 13, 2002, and is subject to completion and amendment.

Interest on the Bonds will be paid to the registered owner as of the Regular Record Date in immediately available funds by wire transfer on the Interest Payment Date to a bank within the continental United States or deposited to a designated account if such account is maintained with the Paying Agent, as directed by the registered owner in writing prior to the time of payment with respect to Bonds bearing interest at a Commercial Paper Rate or five Business Days prior to the Interest Payment Date with respect to Bonds bearing interest at Daily, Weekly or Term Rates. When a book-entry system is in effect, interest will be paid to DTC as registered owner. If any payment on the Bonds is due on a non-Business Day, it will be made on the next Business Day, and no additional interest will accrue as a result.

Payment of defaulted interest will be made to holders of record on a special record date to be fixed by the Trustee, such date being no more than fifteen or fewer than ten days preceding the payment date.

"Business Day" means any day on which interbank wire transfers can be made on the Fedwire System other than a (i) Saturday or Sunday or legal holiday or a day on which banking institutions in the city of New York, New York or in the cities in which the Principal Offices of the Trustee or the Paying Agent or the office of the Bank at which drawing documents are required to be presented under the Letter of Credit are located are authorized or required by law to close or (ii) day on which the New York Stock Exchange is closed.

"Interest Payment Date" means when used with respect to (a) any particular Bond accruing interest at a Commercial Paper Rate, the day after the last day of each Commercial Paper Rate Period applicable thereto; (b) Bonds accruing interest at Daily or Weekly Rates, the first Business Day of each calendar month following a month in which interest at such rate has accrued; (c) Bonds accruing interest at a Term Rate, the first day of the sixth calendar month following the month in which the date of a conversion to a Term Rate occurs and the first day of each sixth month thereafter to which interest at such rate has accrued, except that the last Interest Payment Date for any Term Rate Period which is followed by a Commercial Paper, Daily or Weekly Rate Period will be the first Business Day of the sixth month following the preceding Interest Payment Date; and (d) the maturity date.

"Regular Record Date" means the close of business on either (a) the day (whether or not a Business Day) immediately preceding an Interest Payment Date in the case of Bonds accruing interest at Commercial Paper, Daily or Weekly Rates or (b) the fifteenth day (whether or not a Business Day) of the calendar month immediately preceding the Interest Payment Date in the case of Bonds accruing interest at Term Rates.

Daily Rate. When interest on the Bonds is payable at a Daily Rate, the Remarketing Agent will set a Daily Rate at or before 10:30 a.m., New York City time, on each Business Day for that Business Day. The Daily Rate for each Daily Rate Period will be effective from and including the commencement date thereof to, but not including, the next succeeding Business Day.

Weekly Rate. When interest on the Bonds is payable at a Weekly Rate, the Remarketing Agent will set a Weekly Rate at or before 10:00 a.m., New York City time, on

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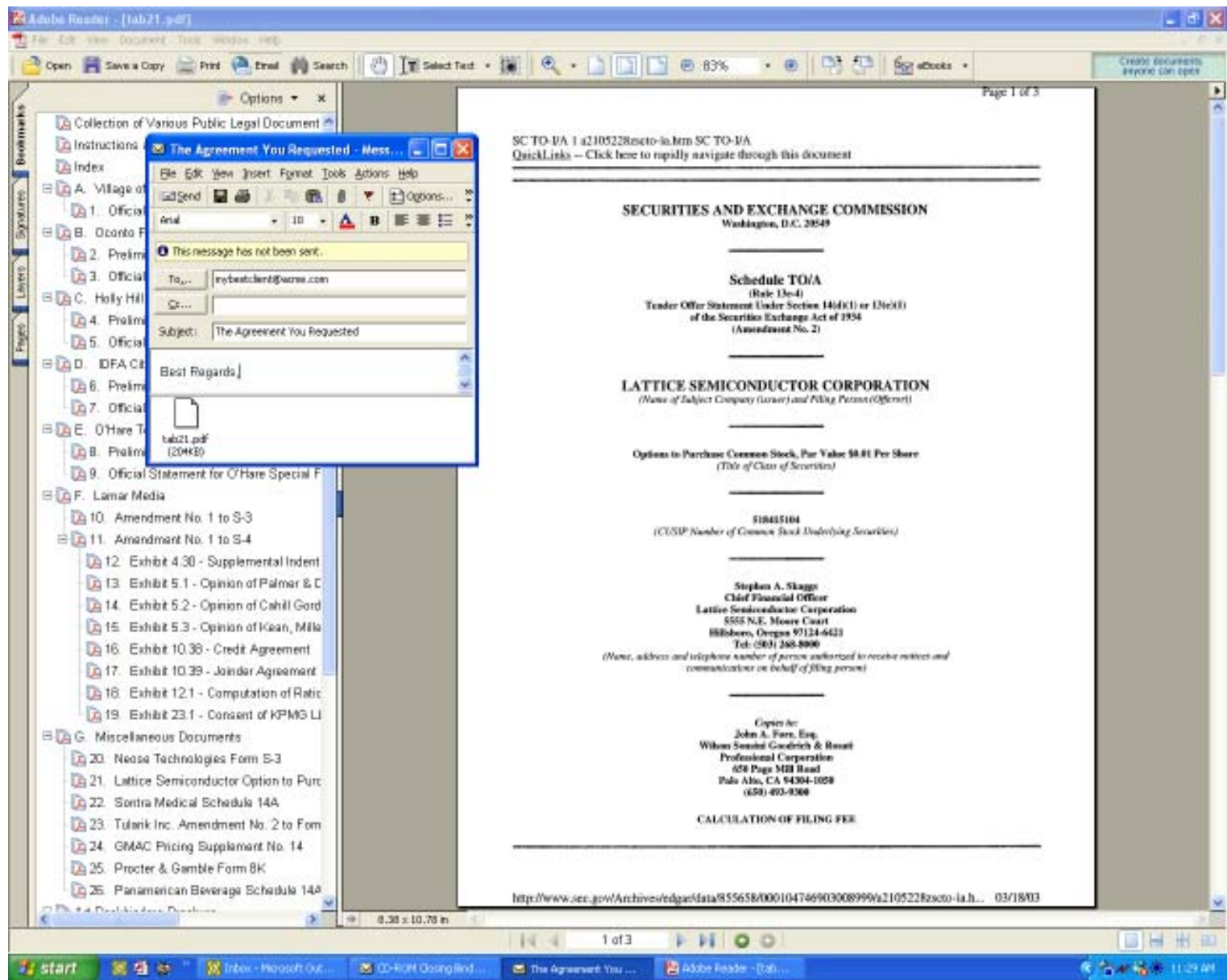
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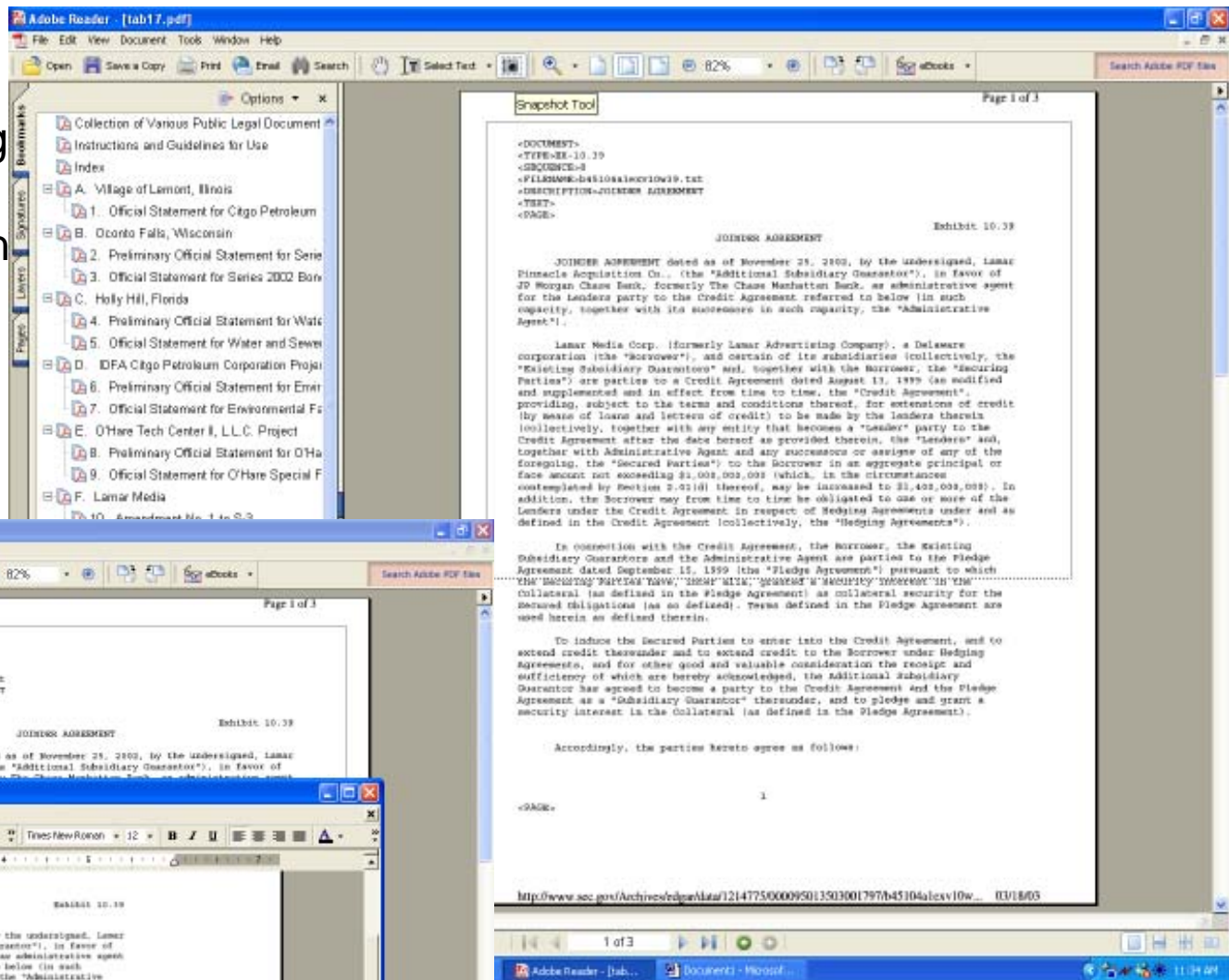
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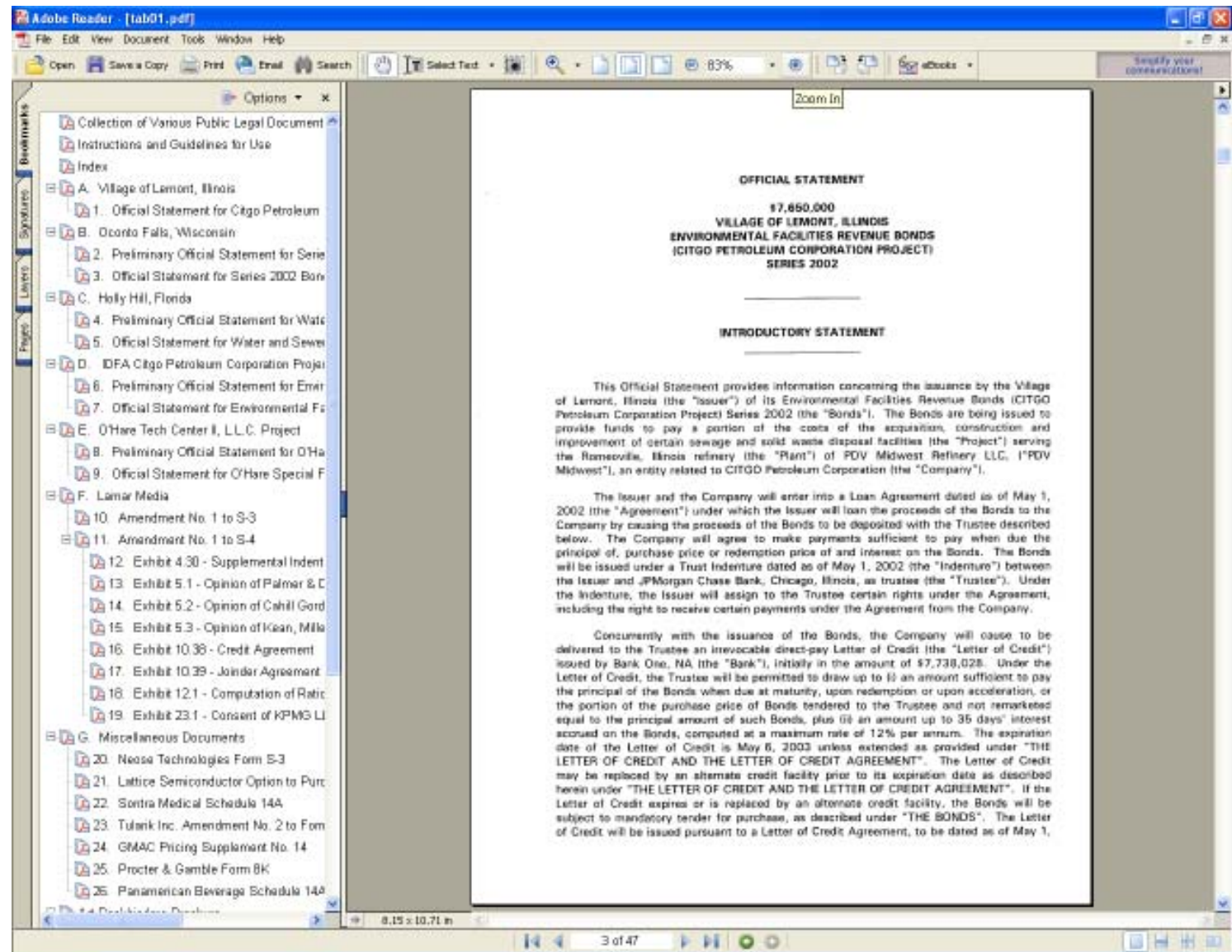
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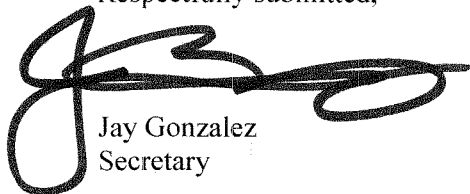
June 1, 2011

The Honorable Deval L. Patrick
Governor of the Commonwealth
State House
Boston, Massachusetts 02133

Dear Governor Patrick:

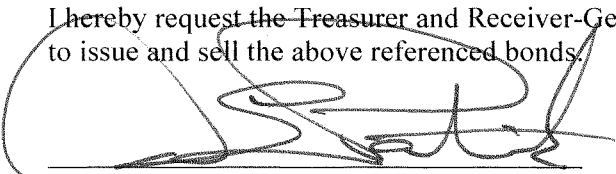
The attached exhibits will serve as a guide to you and the Treasurer and Receiver-General in allocating the net proceeds of the Commonwealth's \$469,635,000 General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B and \$6,795,000 Series C (BuildMassBonds) (collectively, the "Bonds"), under Section 49 of Chapter 29 of the General Laws and the statutes cited in Schedule A. The net proceeds of the Bonds, in the amount of \$517,967,423.51, will be used to provide funds, under the statutes cited, required to reimburse the General Fund and to meet currently projected capital expenditures.

Respectfully submitted,



Jay Gonzalez
Secretary

I hereby request the Treasurer and Receiver-General
to issue and sell the above referenced bonds.



Deval L. Patrick, Governor

COMMONWEALTH OF MASSACHUSETTS

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BONDS AUTHORIZED AND UNISSUED
 THROUGH PERIOD 11, FY 2011

FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0006	0006	\$0.00	\$0.00	\$0.00	\$371.12	\$0.00
0007	CHILD WELFARE INFOSYS A95C96S5	\$0.00	\$0.00	\$146,309.44	\$146,309.44	\$0.00
0010	WATER POLLUTION CONTROL82	\$0.00	\$0.00	\$0.00	\$20,148,790.73	\$0.00
0011	STATE ARMORY LOAN 1982	\$0.00	\$0.00	\$0.00	\$338,406.62	\$0.00
0013	0013	\$0.00	\$0.00	\$0.00	\$300.00	\$0.00
0026	0026	\$0.00	\$0.00	\$0.00	\$50,000.00	\$0.00
0042	ENERGY CONSERV BD A83C700	\$0.00	\$0.00	\$0.00	\$34,005.67	\$0.00
005C	ACTS OF 1995 CH.263 S.3	\$381,625.66	\$191,106.84	(\$191,199.34)	\$3,515,057.92	\$0.00
0069	PARKING FACIL.LOAN 1980	\$0.00	\$0.00	\$0.00	\$22,779,384.57	\$0.00
007C	ACTS OF 1995 CH.277 S.5	\$1,636,217.56	\$4,972,587.46	(\$3,513,773.86)	\$5,977,842.92	\$0.00
0084	0084	\$0.00	\$0.00	\$511,164.49	\$0.00	\$0.00
0089	CAP.OUTLAY LOAN ACT 1978	\$0.00	\$0.00	(\$85.16)	\$0.00	\$0.00
008C	ACTS OF 1995 CH.277 S.11	\$0.00	\$0.00	(\$5.95)	\$0.00	\$0.00
0090	CAPITAL OUTLAY LOAN 1979	\$0.00	\$0.00	\$0.00	\$21,000.00	\$0.00
0092	CAPITAL OUTLAY LOAN 1980	\$0.00	\$0.00	\$0.00	\$6,328.36	\$0.00
0097	0097	\$0.00	\$0.00	\$0.00	\$1,156,105.00	\$0.00
0099	0099	\$0.00	\$0.00	\$0.00	\$10,000,000.30	\$0.00
0103	0103	\$0.00	\$0.00	\$0.00	\$0.04	\$0.00
010C	ENV.ENH.&OPSP&ACQ&PRESA96C15S3	\$25,136.00	\$73,497.28	(\$103,636.71)	\$883,764.43	\$0.00
0119	GREYLOCK GLEN DEV.LN.1985	\$29,818.14	\$89,247.91	(\$60,003.00)	\$2,684,298.10	\$0.00
011C	ENV ENH&OPSPC&ACQ&PRESA96C15S2	\$0.00	\$1,500,000.00	(\$4,990,395.83)	\$7,303,759.76	\$0.00
0123	CH 123A 06S2BNONTAX	\$970,337.25	\$76,992.53	\$0.00	\$89,470,337.25	\$0.00
0126	DMH CAP OUTLAY A1987 C167 S.5	\$2,781,890.75	\$17,257.05	\$0.00	\$5,470,365.38	\$0.00
0127	CAPITL OUTLAY LN A87 C199 S127	\$0.00	\$0.00	\$0.00	\$175,203.89	\$0.00
0128	CAP OUT REPAIR LA87 C199 S129	\$0.00	\$0.00	(\$2,030.14)	\$0.00	\$0.00
012C	CRIMJUS.YTHSER&PRSEXP.A96C12S3	\$1,150,317.43	\$2,201,777.80	(\$419,010.13)	\$32,048,517.49	\$0.00
0133	HSG PRESV NGHBD DEV A93C494S6	\$8,777,650.29	\$884,505.91	(\$210,355.30)	\$17,284,245.17	\$0.00
013C	SEAPORT REVIL.LOAN A96C28S3	\$0.00	\$0.00	(\$3,495.11)	\$46,167,341.52	\$0.00

COMMONWEALTH OF MASSACHUSETTS

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BONDS AUTHORIZED AND UNISSUED

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THROUGH PERIOD 11, FY 2011

FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0140	TRANSP DEVEL & IMP. A94C273S2D	\$0.00	\$0.00	\$0.00	\$47,818,217.85	\$0.00
0142	TRANSP DEVEL & IMP. A94C273S2G	\$125,470.92	\$109,787.84	(\$79,909.96)	\$2,762,365.98	\$0.00
0144	HI ED CAP.OUTLAY LN A95C267S3	\$1,753,734.53	\$10,381,584.70	(\$6,567,663.39)	\$35,618,902.54	\$0.00
0145	CAP OUT EQP REPLMT A86 C206S77	\$0.00	\$0.00	\$0.00	\$12,595.04	\$0.00
0148	0148	\$0.00	\$0.00	\$0.00	\$0.64	\$0.00
014C	COMM.RAIL.CAP.ENHNCMT A96C28S5	\$0.00	\$0.00	\$0.00	\$35,000,000.00	\$0.00
0150	PUBLIC HOUSING LOAN A87C226S4	\$248,480.00	\$0.00	\$0.00	\$259,972.77	\$0.00
0153	ENERGY CONSERVATN BD A87C670S3	\$0.00	\$0.00	\$0.00	\$697,408.10	\$0.00
0161	RAIL TRANS LN A88 C15 S27	\$0.00	\$0.00	\$289.76	\$682,392.51	\$0.00
0170	HIGHER ED FACIL LN A88C208S7	\$0.00	\$0.00	\$0.00	\$18,300,422.90	\$0.00
0173	CAP REP+CONST LN A88C208S17	\$0.00	\$0.00	\$1,089.41	\$1,190,412.01	\$0.00
0176	CAPITAL OUTL LN A88C164S94	\$0.00	\$29,330.00	(\$13,930.00)	\$1,737,245.49	\$0.00
0177	CAPITAL OUTL LN A88C164S95	\$0.00	\$0.00	\$0.00	\$3,489,255.30	\$0.00
017C	INFO TECH LN (2) A96C294S3	\$0.00	\$0.00	\$0.00	\$69,064.26	\$0.00
0194	STATE HSE REN & IMP A92C69S19	\$2,452,409.85	\$3,348,169.29	(\$422,700.37)	\$4,668,151.63	\$0.00
0196	WEL ELG CPT SYS DEV LA92C194S4	\$0.00	\$0.00	\$0.00	\$2,933,787.26	\$0.00
0198	CAPITAL REPAIRS & IMPROVEMENTS	\$210,690.51	\$74,475.34	(\$26,753.07)	\$11,315,866.26	\$0.00
019C	RAIL TRNSP.LNA96C205S15	\$4,732.55	(\$5,381.45)	\$0.00	\$132,162.97	\$0.00
020C	AIRPORT CAP.OUTLAY A96C205S17	\$1,778,513.69	\$2,120,377.29	(\$1,466,888.82)	\$30,876,715.43	\$0.00
023C	METRO ST.HOSP.REDEV.LN OF 1996	\$0.00	\$0.00	\$146,310.09	\$233,142.76	\$0.00
027C	Capital Expenditure Act of 200	\$20,667,298.50	\$4,683,076.49	(\$2,742,976.65)	\$98,820,754.49	\$0.00
031C	ECON.DEV.FACILITIES A97C152S14	\$0.00	\$0.00	\$0.00	\$44,392,221.31	\$0.00
035C	HSING PRSV & NBHD LN S3C257A98	\$1,100.00	\$0.00	\$0.00	\$11,798.71	\$0.00
036C	SUFFOLK COURTHOUSE EXTERIOR	\$5,900.83	\$26,309.12	(\$363,633.24)	\$5,064,734.24	\$0.00
040C	C55S4A99HWYCAPIMPLN	\$0.10	\$0.00	(\$3.17)	\$950,108.27	\$0.00
045C	A2000C237S5	\$86,658.34	\$2,598.64	(\$15,819.61)	\$267,154.45	\$0.00
046C	A2000C237S6	\$0.00	\$8,902.10	\$0.00	\$1,598,173.92	\$0.00
047C	A2000C238S5	\$146,879.25	\$74,415.35	(\$218.35)	\$687,958.19	\$0.00

COMMONWEALTH OF MASSACHUSETTS

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BONDS AUTHORIZED AND UNISSUED
 THROUGH PERIOD 11, FY 2011

FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
048C	A2000C245S5	\$0.00	\$0.00	(\$7,908.00)	\$164,408.17	\$0.00
049C	A2000C235S9	\$0.00	\$0.00	\$0.00	\$270.81	\$0.00
050C	A2000C202S3	\$0.00	\$0.00	\$0.00	\$0.01	\$0.00
055C	INFO-TECH LN A2002C142S3	\$1,696,039.89	\$6,416,906.32	(\$1,000,867.33)	\$13,812,528.87	\$0.00
056C	A2002 CH 236 SEC 3	\$14,452,452.46	\$7,614,621.61	(\$7,385,271.89)	\$111,510,566.34	\$0.00
057C	ACT2002C244SEC3	\$7,673,631.50	\$2,411,937.11	(\$1,709,348.39)	\$111,165,639.38	\$0.00
058C	A2002C245S4	\$2,796,364.89	\$7,907,886.80	(\$1,883,144.57)	\$82,985,452.14	\$0.00
059C	A202C246S4	\$10,050,744.00	\$9,221,102.04	(\$2,601,023.12)	\$38,922,666.34	\$0.00
060C	HWY SECURITY IMP PROGRAM LOAN	\$0.00	\$0.00	\$0.00	\$659,802.06	\$0.00
061C	INTERMODAL TRANS IMP LOAN '04	\$516,029.61	\$0.00	\$0.00	\$18,609,561.62	\$0.00
062C	RAIL TRANS ASSISTANCE LOAN ACT	\$620,575.89	\$71,481.40	(\$780,884.74)	\$4,891,142.87	\$0.00
063C	CAPITAL OUTLAY LOAN '04 - A04C	\$375,000.00	\$300,000.00	\$0.00	\$18,153,306.35	\$0.00
064C	MBTA SUBWAY & COMMUTER RAIL LO	\$0.00	\$0.00	\$0.00	\$849,750,000.00	\$0.00
066C	COURT IMP LOAN '04 - A04C290S3	\$26,266,062.99	\$34,562,317.77	(\$25,244,188.44)	\$106,273,610.21	\$0.00
067C	HOUSING PROD & MOD '04 - A04C2	\$8,946,719.30	\$7,513,586.41	(\$3,307,035.45)	\$12,447,750.75	\$0.00
073C	Housing for Low & Moderate Inc	\$30,502,796.42	\$43,703,099.98	(\$21,747,512.12)	\$593,504,323.02	\$0.00
074C	Housing for Low & Moderate Inc	\$74,286,431.73	\$45,193,978.79	(\$18,644,954.96)	\$479,347,058.52	\$0.00
075C	CH 240 ACTS OF 2010 SEC 2B	\$0.00	\$0.00	\$0.00	\$25,000,000.00	\$0.00
555C	A08 C258 S3 Public Higher Educ	\$131,034,927.80	\$100,426,976.07	(\$66,137,534.90)	\$2,037,070,939.97	\$0.00
563C	A08 C304 S16 Capital Facilitie	\$1,300,452.74	\$6,175,764.58	(\$3,856,001.04)	\$325,018,135.52	\$0.00
564C	A08 C304 S17 Capital Improve	\$29,511,839.05	\$63,386,064.17	(\$41,660,765.39)	\$336,203,462.54	\$0.00
565C	A08 C304 S18 Capital Improve	\$43,079,805.91	\$68,999,119.10	(\$34,454,825.17)	\$754,456,286.38	\$0.00
565L	A08 C304 S18 Capital Improve	\$63,789,141.04	\$46,321,041.54	(\$29,889,597.81)	\$687,545,513.32	\$0.00
565T	A08 C304 S18 Capital Improve	\$1,993,915.66	\$2,364,151.71	(\$3,954,241.66)	\$285,988,000.00	\$0.00
566L	A08 C304 S19 Capital Improve	\$10,006,875.25	\$15,304,876.17	(\$28,257,613.20)	\$560,000,000.00	\$0.00
567C	A08 C312 S15 Preservation/Impr	\$53,780,142.65	\$76,014,126.85	(\$44,957,456.65)	\$1,115,710,610.20	\$0.00
568C	A08 C312 S16 Environmental Tr	\$7,398,782.35	\$10,561,223.62	(\$6,115,505.17)	\$289,432,500.54	\$0.00
569C	A08 C130 S46 Life Sciences Cen	\$8,783,024.42	\$14,788,179.98	(\$730,620.60)	\$446,013,645.02	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
570T	A08 C231 S2 MA Broadband Bill	\$15,789,225.67	\$7,468,175.31	(\$6,852,323.72)	\$32,641,549.39	\$0.00
AHT2	Affordable Housing Trust Fund	\$4,852.75	\$24,500,000.00	(\$8,360,297.78)	\$9,822,484.79	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$196,817,409.77	\$0.00	\$0.00	\$0.00
CEA7	Capital Expenditure Act of 200	\$56,892,597.89	\$105,645,765.03	(\$30,868,439.54)	\$182,890,066.18	\$0.00
Q123	CH 123A 06 S2BTAX	\$4,917,249.89	\$7,459,251.69	(\$2,516,431.07)	\$50,224,882.97	\$0.00
FUND TOTALS:		\$649,700,543.90	\$942,009,661.31	(\$413,313,116.68)	\$10,195,468,905.64	\$0.00

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FUND: 0201 Capital Investment Trust Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
028C	CAPITAL INVESTMENT TRUST FUND	\$0.00	\$0.00	\$0.00	\$101,968.40	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$0.00	\$101,968.40	\$0.00

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FUND: 0203 Convention Center and Exhibition Center Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
032C	S.O.BNDS (CONV.CTR) A97C152S11	\$0.00	\$0.00	\$8,392,626.94	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$8,392,626.94	\$0.00	\$0.00

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FUND: 0204 Capital Improvement and Investment Trust Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
041C	C55 ACTS OF 1999 S2A	\$0.00	\$27,822.65	(\$80,791.57)	\$150,364.92	\$0.00
043C	A2000C236S81	\$0.00	\$0.00	(\$40,322.49)	\$3,517,963.49	\$0.00
BREF	Proceeds of Bond Refunding	\$0.00	\$1,444,443.53	\$0.00	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$1,472,266.18	(\$121,114.06)	\$3,668,328.41	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0210 Highway Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0207	ACCEL TRANSP & DEV. A94C273S2A	\$747,057.67	\$345,473.17	(\$164,724.76)	\$8,280,471.84	\$0.00
0208	ACCEL TRANSP & DEV. A94C273S2B	\$757,567.23	\$539,377.80	(\$313,967.32)	\$3,261,731.91	\$0.00
0222	0222	\$0.00	\$0.00	\$0.00	\$0.38	\$0.00
0237	HY IMP LN A83 C723 S11E	\$0.00	\$0.00	\$0.00	\$40,000.00	\$0.00
0247	HIGHWAY IMPR LN,CH15,S10,A88	\$0.00	\$0.00	\$0.00	\$912,181.70	\$0.00
0253	HIGHWAY IMPROVEMNT LN A91C33S11	\$0.00	\$0.00	\$0.00	\$5,000,000.00	\$0.00
0255	HIGHWAY IMPROVEMNT LN A91C33S13	\$111,821.35	\$0.00	\$75,395.55	\$36,424.90	\$0.00
0256	HIGHWAY IMPROVEMNT LN A91C33S14	\$0.00	\$27,425.03	(\$18,382.27)	\$17,879.17	\$0.00
0263	SPC OBG REV HY IMP LN A91C33S8	\$82,859.07	\$166,460.94	(\$166,460.94)	\$249,199.01	\$0.00
0268	HWY IMP LN A94C102S4	\$0.00	\$0.00	\$180,170.00	\$62,194.49	\$0.00
503C	HWY IMPRVMT LN ACT A96C113S4	\$15,053.25	\$234,151.04	(\$169,320.33)	\$385,185.15	\$0.00
505C	HWY IMPRVMT LN A96C205S4	\$31,385.91	\$498,411.10	(\$416,929.40)	\$72,713,251.47	\$0.00
506C	506C	\$0.00	\$0.00	\$0.00	\$1,397.36	\$0.00
507C	HWY IMPRVMT LN A96C205S6	\$0.00	\$0.00	\$0.00	\$2,538.58	\$0.00
509C	INTERMODAL TRNP.IMP.A96C205S13	\$1,520,703.00	\$0.00	\$74,054.12	\$1,710,749.70	\$0.00
513C	PROJECT PLANNING & COORDINATN	\$7,193,030.35	\$5,391,527.49	(\$3,504,878.18)	\$95,298,647.03	\$0.00
517C	HWY IMPRVNT LN A07C27S8	\$92,724,666.97	\$81,726,315.57	(\$49,016,904.52)	\$203,050,825.78	\$0.00
521C	C53S2CA99HWYIMPLN	\$0.00	\$0.00	\$0.00	\$22.63	\$0.00
523C	C55S4A99HWYCAPIMPLN	\$238,813.56	\$246,954.99	(\$87,244.37)	\$1,349,273.67	\$0.00
524C	524C	\$0.00	\$0.00	\$0.00	\$1.00	\$0.00
527C	HWY IMP LN ACT 2000 A00C87S5	\$0.00	\$0.00	(\$1.88)	\$34,351,309.53	\$0.00
530C	A2000C235S5(2B)	\$12,010,826.81	\$8,214,222.78	(\$6,729,627.26)	\$101,992,226.91	\$0.00
531C	A2000C235S6(2C)	\$84,350.40	\$9,001.62	(\$2,436.62)	\$5,363,577.63	\$0.00
532C	A2000C235S7(2D)	\$600,362.85	\$0.00	\$0.00	\$1,330,021.38	\$0.00
533C	A2000C535S8(2E)	\$9,326,649.67	\$1,125,151.24	(\$640,917.01)	\$23,257,478.14	\$0.00
543C	SPEC OBL REV HWY IMP LOAN '04	\$24,012,459.11	\$10,630,497.15	(\$7,385,748.56)	\$235,435,258.17	\$0.00
544C	HWY IMP LOAN '04 - A04C291S5	\$73,781,431.39	\$14,863,059.74	(\$13,093,262.11)	\$106,032,229.96	\$0.00
545C	HWY IMP LOAN '04 - A04C291S6	\$0.00	\$0.00	\$0.00	\$3,007,792.94	\$0.00

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FUND: 0210 Highway Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
546C	RTA IMP LOAN '04 - A04C291S8	\$645,249.21	\$133,212.39	(\$1,633,212.39)	\$3,977,614.97	\$0.00
547C	MOBILITY ASSISTANCE PROG IMP L	\$0.00	(\$142.09)	\$0.00	\$2,304.89	\$0.00
550C	Trans Imp Bill A08C86S2A	\$47,342,009.75	\$109,403,891.96	(\$38,340,751.61)	\$142,123,326.97	\$0.00
551C	Trans Imp Bill A08C86S2B	\$32,921,195.79	\$17,559,348.18	(\$13,832,802.49)	\$52,588,225.26	\$0.00
552C	Trans Imp Bill A08C86S2C	\$144,256.75	\$191,076.10	(\$90,047.99)	\$7,429,867.54	\$0.00
553C	Trans Imp Bill A08C86S2D	\$8,692,845.18	\$6,026.82	(\$6,026.82)	\$708,000,000.00	\$0.00
554C	C233 8 A. 08 Structurally Defi	\$291,370,859.33	\$213,545,569.13	\$161,601,187.29	\$2,311,413,298.24	\$0.00
556C	A08 C303 S47 Transportation Im	\$15,964,216.37	\$2,512,824.66	(\$3,359,115.65)	\$585,300,000.00	\$0.00
557C	A08 C303 S48 Transportation Im	\$133,510,785.04	\$115,205,502.42	(\$86,940,246.77)	\$323,853,957.02	\$0.00
558C	A08 C303 S49 Transportation Im	\$62,133,687.44	\$15,198,093.26	(\$11,394,888.09)	\$198,023,674.50	\$0.00
558T	A08 C303 S49 Transportation Im	\$0.00	\$0.00	\$0.00	\$20,000,000.00	\$0.00
559C	A08 C303 S50 Transportation Im	\$157,339.71	\$1,227,119.88	(\$1,295,962.64)	\$17,441,666.52	\$0.00
560C	A08 C303 S51 Transportation Im	\$0.00	\$0.00	\$0.00	\$72,000,000.00	\$0.00
561C	A08 C303 S52 Transportation Im	\$0.00	\$0.00	\$0.00	\$40,000,000.00	\$0.00
562C	A08 C303 S53 Transportation Im	\$0.00	\$0.00	\$0.00	\$15,366,500.00	\$0.00
572C	CH 240 ACTS OF 2010 SEC 2B	\$4,776,000.00	\$1,632,618.69	(\$1,632,618.69)	\$50,000,000.00	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$132,102,223.45	\$0.00	\$0.00	\$0.00
DR05	Cross Over Refunding 2005-A	\$0.00	\$3,539,853.13	\$1,824.49	\$0.00	\$0.00
FUND TOTALS:		\$820,897,483.16	\$736,275,249.64	(\$78,303,847.22)	\$5,450,662,306.34	\$0.00

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FUND: 0211 State Bond Share Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0252	HIGHWAY IMPROVEMNT LN A91C33S10	\$0.00	\$0.00	\$0.00	\$53,166,787.18	\$0.00
0287	HWY IMP LN A94C273S4	\$0.00	\$0.00	\$0.00	\$60,699,133.00	\$0.00
0288	HWY IMP LN A94C102S3	\$0.00	(\$13,622.00)	\$13,622.00	\$70,016,235.00	\$0.00
502C	HWY IMPRVMT LN ACT A96C113S3	\$0.00	\$1,122.00	(\$8,942.56)	\$7,982,434.56	\$0.00
504C	HWY IMPRVMT LN A96C205S3	\$0.00	(\$160,249.00)	\$1.00	\$4,488,943.00	\$0.00
510C	A97C11S3 HWY IMP LOAN 1997	\$0.00	\$132,176.00	\$0.38	\$38,321,046.62	\$0.00
511C	A97C11S5 HWY IMP LOAN 1997	\$0.00	\$0.00	\$0.00	\$57,585,090.00	\$0.00
512C	A97C11S9 HWYIMPLN 97GANS/BNDS	\$0.00	\$0.00	\$0.00	\$216,002.00	\$0.00
522C	C55S3A99HWYCAPIMPLN	\$0.00	\$17,049.00	(\$244,369.00)	\$284,740.00	\$0.00
526C	HWY IMP LN ACT 2000 A00C87S4	\$0.00	\$13,476.00	(\$68,775.00)	\$12,232,224.00	\$0.00
527C	HWY IMPRVNT LN A07C27S7	\$0.00	(\$15,270,951.00)	(\$47,831,475.94)	\$49,373,707.94	\$0.00
528C	A2000 C235 S3(2)	\$0.00	(\$501,614.00)	(\$4,526,057.67)	\$33,942,099.67	\$0.00
529C	A2000C235S4(2A)	\$0.00	\$1,581,094.00	(\$2,677,618.81)	\$167,313,390.80	\$0.00
541C	ACTS OF 2003 CH.40 SEC.3	\$0.00	(\$1,809,957.00)	(\$28,172,757.22)	\$39,966,359.22	\$0.00
542C	HWY IMP LOAN '04 - A04C291S3	\$0.00	\$1,596,424.00	(\$9,101,701.37)	\$27,050,601.37	\$0.00
549C	A08C86S2 Trans Imp Bill State	\$0.00	\$52,645,939.00	(\$57,036,292.74)	\$385,167,020.73	\$0.00
BREF	Bond Refunding	\$0.00	\$22,719,893.03	\$0.00	\$0.00	\$0.00
CAT1	CA/T (0202/0252) A91C33S10	\$0.00	\$0.00	\$0.00	\$10,216,908.00	\$0.00
CAT2	CA/T (0288) A94C102S3	\$0.00	\$0.00	(\$496.00)	\$22,358,452.00	\$0.00
CAT3	CA/T (0290/0287) A94C273S4	\$0.00	\$102,136.00	(\$1,822,449.00)	\$4,097,037.00	\$0.00
CAT4	CA/T (504C) A96C205S3	\$0.00	\$0.00	\$0.00	\$334,750.00	\$0.00
CAT5	CA/T (502C) A96C113S4	\$0.00	\$0.00	\$0.00	\$2,938,804.00	\$0.00
CAT6	CA/T (510C) A97C11S3	\$0.00	\$43,613.00	(\$43,609.00)	\$68,903,836.00	\$0.00
FUND TOTALS:		\$0.00	\$61,096,529.03	(\$151,520,920.93)	\$1,116,655,602.09	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0212 Central Artery Statewide Road & Bridge Infrastructure Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
525C	CAT/TWT INF LN A2000 A00C87S3	\$4,182,557.12	\$463,757.53	\$6,012,992.46	\$4,282.86	\$0.00
538C	GO BOND SALE 2002C	\$58,502.04	\$118,204.78	\$85,888.16	\$0.00	\$0.00
BREF	Bond Refunding	\$0.00	\$46,252,252.72	\$0.00	\$0.00	\$0.00
C228	C/A CH 228 PROCEEDS	\$9,600,154.17	\$3,144,699.38	\$11,220,666.27	\$0.00	\$0.00
DFSD	OP FNDS TRFR A2000 C87S15	\$50.00	\$0.00	\$810.89	\$0.00	\$0.00
PKE3	MASS PIKE PMT A2000 C87 S11	\$0.00	\$0.00	\$107.55	\$0.00	\$0.00
PRT3	MASS PORT PMT A2000 C87 S11	\$50.00	\$0.00	\$162.04	\$0.00	\$0.00
RMV1	EXCESS RMV REVENUESS15C87A2000	\$130,395.72	\$169,056.81	\$52,462,351.83	\$0.00	\$0.00
FUND TOTALS:		\$13,971,709.05	\$50,147,971.22	\$69,802,979.20	\$4,282.86	\$0.00

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FUND: 0240 Metro Parks Capital

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0375	Met Parks Dis Loan	\$0.00	\$0.00	\$0.07	\$87,633.83	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$0.07	\$87,633.83	\$0.00

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FUND: 0271 Local Aid Capital Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0373	CHARLES RIV.WTR.QLTY.LN72	\$0.00	\$0.00	\$0.00	\$4,869.05	\$0.00
0375	MET. PARKS DIST.LOAN 1974	\$0.00	\$0.00	\$0.00	\$184,246.87	\$0.00
0603	LOC SLD WST FAC L&G A87C584S27	\$0.00	\$0.00	\$10,069.48	\$0.00	\$0.00
0607	CRTHSE CONST&REN LN A88C203S28	\$0.00	\$6,517.00	(\$6,517.00)	\$8,217.00	\$0.00
0608	IMPROVEMENT CT HSES A88C203S24	\$0.00	\$0.00	\$0.00	\$7,187.50	\$0.00
0613	CAP OTLY LN A94C85S3	\$8,550.00	\$5,500.00	(\$5,500.00)	\$1,067,931.24	\$0.00
0614	0614	\$0.00	\$0.00	\$0.00	\$20,713.69	\$0.00
0618	TRANSP DEVEL & IMP. A94C273S2K	\$0.00	\$0.00	\$0.00	\$9,914,237.31	\$0.00
0656	WATER POLLUTION CTRL F276 A85	\$0.00	\$0.00	\$0.00	\$7,331.00	\$0.00
700C	700C	\$0.00	\$0.00	\$10,835.00	(\$10,835.00)	\$0.00
713C	A2002 CH 236 SEC 4	\$0.00	\$0.00	\$0.00	\$0.01	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$108,357,866.47	\$0.00	\$0.00	\$0.00
SBA1	MASS SCHOOL BUILD ASSIS FUND L	\$0.00	\$0.00	\$0.01	(\$0.01)	\$0.00
FUND TOTALS:		\$8,550.00	\$108,369,883.47	\$8,887.49	\$11,203,898.66	\$0.00

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BONDS AUTHORIZED AND UNISSUED

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FUND: 0278 Government Land Bank Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0650	GOVT LAND BANK FD LN A77C73286	\$762,672.00	\$1,237,328.00	(\$603,326.23)	\$9,939,303.80	\$0.00
FUND TOTALS:		\$762,672.00	\$1,237,328.00	(\$603,326.23)	\$9,939,303.80	\$0.00

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FUND: 0289 Bond Ahead Fund (Holding account - memo only)


SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0000	Zero Subfund for 0289 Fund	\$0.00	\$0.00	\$2,503,950.90	\$0.00	\$0.00
0291	Bond Proceeds	\$0.00	\$0.00	\$389,505,703.09	\$0.00	\$0.00
S10D	Proceeds from Bond Sales	\$0.00	\$0.00	\$236,576,910.59	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$628,586,564.58	\$0.00	\$0.00
GRAND FUND TOTALS:		\$1,485,340,958.11	\$1,900,608,888.85	\$62,928,733.16	\$16,787,792,230.03	\$0.00

FINANCE ADVISORY BOARD

RE: \$469,635,000 The Commonwealth of Massachusetts General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B and \$6,795,000 Series C (BuildMassBonds) (collectively, the "Bonds")

I, Lori D. Hindle, hereby certify that I am the Secretary of the Finance Advisory Board of The Commonwealth of Massachusetts (the "Board"), and, in connection with the issuance of the above-referenced Bonds, I hereby further certify that at a meeting of the Board held on April 25, 2011, of which meeting due notice was given to all members of the Board and to the public in accordance with the requirements of the open meetings law and at which a quorum was present, votes were unanimously passed in connection with the sale of the Bonds, a true copy of which is attached hereto as Exhibit A.

IN WITNESS WHEREOF, I hereunto set my hand this 1st day of June, 2011.

A handwritten signature in cursive script, appearing to read "Lori D. Hindle", is written over a horizontal line.

Lori D. Hindle

Secretary of the Finance Advisory Board of
The Commonwealth of Massachusetts

EXHIBIT A

RESOLVED: To authorize the Commonwealth (i) to issue up to \$525,000,000 in the aggregate, in general obligation and/or special obligation bonds, including Grant Anticipation Notes, for refunding or new money issues in one or more transactions; (ii) to price the bonds in any such transactions on a date no later than June 30, 2011; and (iii) to sell any such bonds on a negotiated basis.

REQUEST FOR WAIVER
Refunding or New Money Bonds
April 25, 2011

The Treasurer and Receiver - General of the Commonwealth of Massachusetts hereby requests the Finance Advisory Board to waive the requirements of Section 53 of Chapter 29 of the Massachusetts General Laws providing for the sale, pursuant to invitations for proposals for the purchase by advertisement, of the bonds described below for the reasons set forth in this request. This Request for Waiver also constitutes a request for a waiver from presumption of a competitively bid financing pursuant to 976 CMR 2.08.

Although the Commonwealth approaches each transaction under the assumption that the borrowing will be conducted via competitive sale, a waiver to sell bonds in a negotiated manner provides the Commonwealth with much-needed flexibility to structure its bonds based on market demand, with the goal of achieving the lowest cost of borrowing while taking on the least amount of risk possible, should market conditions or the structure of the transaction warrant such flexibility.

This request is based on a number of conditions which support the sale of any of such bonds on a negotiated basis rather than pursuant to invitations for proposals for purchase by advertisement and competitive sale:

1. Some or all of the bonds are expected to be offered to retail investors during early order periods in which only retail investors are allowed to place orders for bonds. Retail investors are the largest holder of Commonwealth bonds. Bonds are also expected to be issued in denominations lower than the standard \$5,000 increment, providing the Commonwealth with the opportunity to expand its base of retail investors. Offering bonds to individual investors is not possible via competitive bond sales because the standard market mechanism for efficient competitive sales involved all-or-nothing bids from underwriting syndicates marketing to individual investors.
2. Given the likely size of the Commonwealth's upcoming borrowing, it is appropriate to have the option to sell bonds in a manner that provides maximum flexibility in terms of schedule and structure based on real-time market demand.
3. Market conditions have weakened significantly over the past few weeks. Market volatility caused by negative bond fund flows, significant selling pressure in the secondary market, and a steepening yield curve, has made price discovery difficult. In such environment, the flexibility provided by a negotiated sale for refundings is in the best interest of the Commonwealth.

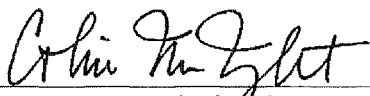
4. A portion of the bonds to be issued pursuant to this waiver may be issued as refunding bonds. Refunding transactions are complex financings requiring the coordinated occurrence of many events at a single time. Efficient implementation of refunding transactions can require concurrent selecting of bonds to be refunded and pricing of bonds being sold, which requires a highly iterative process in order to maximize the refinancing benefits to the Commonwealth, resizing the transaction based upon fluctuating market conditions, determining the relative efficiencies of open-market and Treasury escrows, obtaining from a verification agent proof of the accuracy of the calculations supporting the transaction, etc.

While it is impossible to predict which combination of conditions or events may be necessary to coordinate with regard to a particular transaction, and how critical the bringing to market on very short notice may be, we believe that the citizens of the Commonwealth receive the maximum fiscal benefit through the utilization of negotiated bond sales for the expected transactions. Therefore, it is requested that the Finance Advisory Board waive the requirements of Section 53 of Chapter 29 of the Massachusetts General Laws and waive the presumption of a competitively bid financing under 976 CMR 2.08, pursuant to the adoption of the following resolution, with respect to the transactions described:

RESOLVED: To authorize the Commonwealth (i) to issue up to \$525,000,000 in aggregate principal amount, of bonds, for new-money and/or refunding issues in one or more transactions; (ii) to price the bonds in any such transactions on a date no later than June 30, 2011; and (iii) to sell any such bonds on a negotiated basis.

Respectfully Submitted,

For the Treasurer and Receiver-General

By 
Assistant Treasurer, Debt Management



Steven Grossman
Treasurer and Receiver General

The Commonwealth of Massachusetts
Department of the State Treasurer
One Ashburton Place
Boston, Massachusetts 02108-1608

April 25, 2011

VIA ELECTRONIC MAIL AND BY HAND DELIVERY

Robert McConnaughey, Chair
Finance Advisory Board
c/o Lori Hindle
Executive Office for Administration and Finance
State House, Room 373
Boston, Massachusetts 02133

Re: Waiver from Presumption of a Competitively Bid Financing

Under recently adopted regulations, 976 CMR 2.01 through 2.08 (the "FAB Regulations"), the Finance Advisory Board (the "Board") has determined that a condition precedent to the sale of bonds issued by a State Entity Authorized to Issue Debt, as defined in the FAB Regulations, including the Commonwealth of Massachusetts, on a negotiated basis is that such state entity receive a waiver from the Board from the presumption of a competitively bid financing. General Laws Chapter 29, Section 53, also requires that bonds or notes of the Commonwealth maturing more than three years from their date shall be issued pursuant to a competitive process, unless the Board waives compliance with such competitive process. The Commonwealth expects to issue one or more series of bonds for new money or refunding purposes in May or June 2011.

The waiver request will allow the issuance of up to \$525 million of new money and refunding bonds by June 30, 2010. All or a portion of the bonds are expected to be issued and offered to individual investors during an early retail-only order period. Bonds are also expected to be issued in denominations lower than the standard \$5,000 increment, providing the Commonwealth with the opportunity to expand its base of retail investors. Transactions of this size and complexity could not be structured without the assistance of outside advisors and underwriters and without the flexibility affordable by a negotiated method of sale. Therefore, the Commonwealth believes the sale of the bonds on a negotiated basis is compelling.

Enclosed with this letter as Exhibit A is the customary form of waiver request submitted to the Board for other negotiated bond issues.

As required by the FAB Regulations, the office of the Treasurer and Receiver-General is in the process of formalizing and adopting all of the policies required by the FAB. Enclosed as

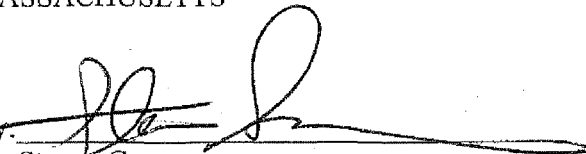
Exhibit B are copies of the Method of Sale Policy and the Underwriting Policies and Procedures for Negotiated Bond Sales that the office of the Treasurer and Receiver-General has used for negotiated transactions. These policies are currently under review by the Treasurer and Receiver-General.

In accordance with the FAB Regulations, the undersigned, Treasurer and Receiver-General of the Commonwealth, does hereby certify that the Commonwealth is aware that the bonds will be sold on a negotiated basis and approves the sale on such basis of the bonds covered by this waiver request.

Based upon all of the information available to me and the office of the Treasurer and Receiver-General, this request for a waiver from the presumption of a competitively bid financing demonstrates that (i) the process or criteria to determine the method of sale set forth in Exhibit B has been followed; (ii) Exhibit A explains why the Commonwealth believes negotiation is compelling; (iii) the waiver will expire on June 30, 2011; (iv) the amount of bonds to be issued pursuant to this waiver will not exceed \$525,000,000 and (v) how the proceeds of the bonds will be used.

The waiver requested by the Department in accordance with this letter, if granted, will expire on June 30, 2011.

THE COMMONWEALTH OF
MASSACHUSETTS

By: 
Steven Grossman
Treasurer and Receiver-General

Finance Advisory Board: Summary of Recent Transactions & Waiver Application

Colin MacNaught, Assistant State Treasurer
State Treasurer's Office

April 25, 2011



Table of Contents

- I. Summary of \$146.28 mm G.O. Refunding Bonds (SIFMA Index Bonds), 2011 Series A Financing
- II. Summary of \$80.005 mm G.O. Refunding Bonds, 2011 Series B & \$360 mm G.O. Bonds, Consolidated Loan of 2001 Series A Financings
- III. Waiver Application

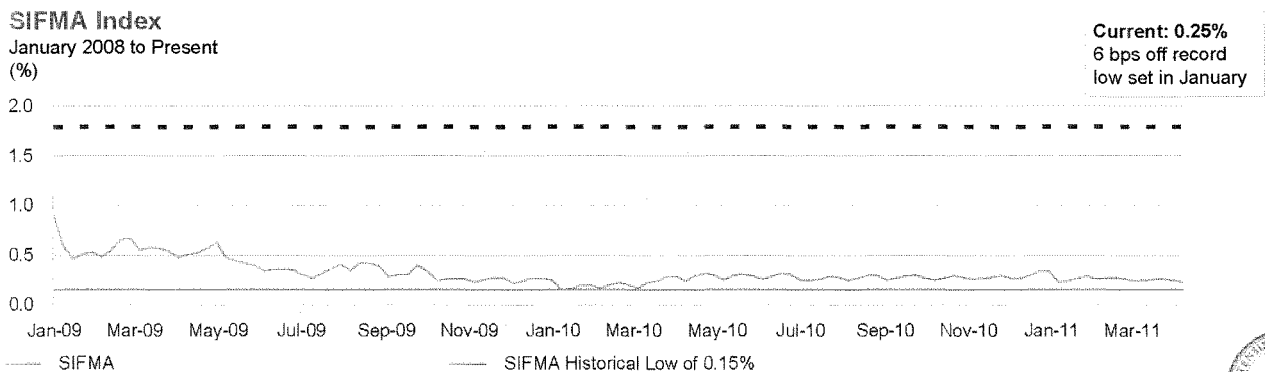
Series 2011 A Refunding Summary

- Starting in 2009 and 2010, due to market conditions globally and within the municipal bond market itself, line of credit bank facilities have become scarce and very expensive relative to historical experience
- These facilities are necessary to manage put risk associated with Variable Rate Demand Bonds (VRDBs) and Commercial Paper (CP)
- Given the size of the Commonwealth's portfolio of VRDBs and CP, managing the expiration of existing line of credit facilities has become a focus of the State Treasurer's Office (STO)
- In 2010, facing an expiration of a single line of credit equal to more than \$500 mm, the Commonwealth successfully refinanced a series of existing VRDBs into SIFMA Index Bonds to reduce line of credit bank risk and renewal risk within its debt portfolio
- The STO acted pro-actively to reduce LOC risk substantially within the Commonwealth's portfolio by refunding the outstanding 2005 VRDBs into SIFMA Index Notes in 2010
- Aside from reducing LOC reliance and LOC expiration risk, the refunding also reduced remarketing risk, eliminated the need for a third-party tender agent, allowed the Commonwealth to diversify its portfolio and its investor base, and produced savings over the life of the transaction
- The refunding also improved the hedge on the existing interest rate swap, eliminating basis risk



Series 2011 A Refunding Summary

- SIFMA Index Bonds are bonds that bear interest at fixed spreads to the weekly SIFMA Index until maturity, providing access to today's historically low short term yields
- SIFMA Index Bonds have long-term maturities of one to four or five years, with a weekly reset of the variable rate
- The Bonds are direct obligations of the Commonwealth with no bondholder put option. As a result, there is no need for bank line of credit facilities and no bank exposure
- The bonds are optionally redeemable at par beginning 6 months prior to the stated maturity, providing a sizable window for refinancing
- Short-term interest rates remain well below long-term averages, creating attractive bond yields for issuers



Series 2011 A Refunding Summary

- In affirming the Commonwealth's rating for the original 2010 refinancing, Moody's Investor Services called the STO's use of SIFMA Index Notes a credit positive:

Quote from Moody's Investor Services Rating Report: *"Moody's considers the transaction, as currently structured, to be a credit positive for the commonwealth. Unlike VRDBs, this transaction has no bank counterparty risk and is not subject to the risk of replacing liquidity as it expires. This transaction also diversifies the commonwealth's debt portfolio, which prior to this transaction included nearly \$2.2 billion of VRDBs."*

- In 2011, the Commonwealth is managing more than \$1.8 billion in expiring line of credit bank facilities
- As the market for SIFMA Index Bonds continues to be strong, the Commonwealth decided to roll over existing SIFMA Index Bonds into new SIFMA Index Bonds
- On February 1, 2011, \$150 million of the 2010 Series A SIFMA Index Bonds were set to mature and the Commonwealth refinanced all but \$4.17 million – this amount represented the original portion of bonds scheduled to mature in 2011
- The STO sought a waiver from competitive sales and a derivative review from the FAB for the transaction



Series 2011 A Refunding Transaction Overview

Tasks / Objectives:

- Rollover of the 2011 maturity of the 2010 Series A SIFMA Index Bonds
- Achieve the lowest cost financing
- Diversify investor base, diversify variable rate portfolio
- Improve existing swap hedge structure
- Set favorable benchmark for future Commonwealth SIFMA or Libor Index bonds transactions

Execution Strategy:

- Flexibility and thoroughness in marketing strategy
 - Investor internet road show; and face-to-face meetings with a number of large, short-term buyers
- Targeted both money market funds and short / intermediate bond funds to take advantage of fund assets moving up the yield curve
- Sealed bid for 1-year \$25 mm maturity secured competitive pricing

Marketing:

- POS mailed early, allowing for 5 business days of active pre-marketing
- Received ratings of Aa1, AA, AA+ from rating agencies, with outlook from S&P changed to "Positive" from "Stable"
- The Commonwealth educated investors on their credit through a series of meetings and telephonic one-on-ones
 - Met with institutional investors with money market funds as well as short & intermediate funds in Boston



Series 2011 A Refunding Summary Pricing Results

- On February 9, 2011, the Commonwealth priced \$146.28 mm of GO SIFMA Index Bonds, 2011 Series A Refunding Bonds
 - Launched price talk day before at weighted average spread of SIFMA + 46 bps
 - Final pricing of SIFMA + 39.8 (weighted average spread)
 - Over \$335 million of orders with 10 fund families placing orders
 - Extensive marketing allowed Commonwealth to achieve superior pricing outcome

	1-Yr	2-Yr	3-Yr	4-Yr
Maturity (Feb 1)	2012	2013	2014	2015
Par Amount	\$25 mm	\$25 mm	\$71.28 mm	\$25 mm
Initial Guidance	SIFMA + 4	SIFMA + 36	SIFMA + 54	SIFMA + 74
Final Pricing	SIFMA + 0	SIFMA + 30	SIFMA + 48	SIFMA + 66
<i>Difference</i>	<i>- 4 bps</i>	<i>- 6 bps</i>	<i>- 6 bps</i>	<i>- 8 bps</i>



Summary of SIFMA Index Bond transactions

SIFMA Index Bond Financings

Issue Date	Par (\$MM)	Issuer	Long-Term Ratings	Fixed Spread to SIFMA				
				1-Year	2-Year	3-Year	4-Year	5-Year
3/12/2009	331.160	East Bay Muni. Utility District	Aa2/AAA/AA+	0.00%	--	--	--	--
5/20/2009	208.370	Met. Wtr. District of S. Cal.	Aa2/AAA/AA+	0.05%	--	--	--	--
10/21/2009	199.230	Lakeland FL Utilities	A1/A+/A+	--	--	0.75%	--	1.00%
11/30/2009	208.280	PA Turnpike Comm.	Aa3/A+/A+	--	0.52%	0.62%	0.90%	1.05%
03/19/2010	538.120	Massachusetts (GO)	Aa2/AA/AA	0.00%	0.24%	0.38%	0.63%	--
3/24/2010	95.000	Univ. Pitt. Medical Ctr.	Aa3/A+/AA-	--	--	1.29%	--	--
03/30/2010	38.500	Loyola Marymount Uni.	A2/NR/NR	--	--	--	--	0.80%
04/01/2010	126.670	Washington, DC	Aa2/AAA/AA	0.02%	0.18%	--	--	--
4/6/2010	350.000	Citizen's Property Insur. Corp.	A2/A+/NR	--	--	1.75%	--	--
6/1/2010	103.125	State of Louisiana	Aa2/AA/NR	--	--	0.75%	--	--
8/26/2010	83.525	William Beaumont Ho.	A1/NR/A/	--	--	--	--	1.40%
11/22/2010	63.860	Washington, DC	Aa1/AAA/AA+	0.03%	--	0.35%	--	--
1/6/2011	75.000	Partners Healthcare	Aa2/AA/AA	--	--	0.65%	--	--
1/20/2011	65.620	NJ Econ. Dev. Auth.	Aa3/AA-AA-	--	--	0.65%	7yr @ 1.80%	--
2/9/2011	146.280	Massachusetts (GO)	Aa1/AA/AA+	0.00%	0.30%	0.48%	0.66%	--
2/11/2011	261.495	NJ Econ. Dev. Auth.	Aa3/A+/AA-	--	--	5yr @ 1.70% / 7yr @ 1.90%	--	--
3/29/2011	30.000	South Placer Wastewater	Aa3/A+/NR	--	--	0.83%	--	--
Total	2,924.235							
Average Spread				0.02%	0.31%	0.77%	0.73%	1.19%
2011 Massachusetts Spread to Average				- 2 bps	- 1 bp	- 29 bps	- 7 bps	n/a



Series 2011 A Refunding Marketing and Distribution

Summary of Distribution

- Strong participation from a number of investors
 - Orders from 10 separate fund families
 - Over \$337 million in orders, over 2.3x oversubscribed
 - Five orders were for entire maturities
 - Demand was strong across all maturities, but especially in the 4-year range, causing it to be more than 4.5x oversubscribed
 - Breadth of the order book yielded aggressive pricing results with spreads tightening from 2 bps to 4 bps in each maturity
 - Strong placement in primary market resulted in almost no secondary trading
-



Investors Contacted During Marketing



Columbia Management®



Series 2011 A Refunding Conclusion

- Transaction capitalized on the low interest rate environment and reduced the Commonwealth's remarketing risk, reduced put risk
- Locked-in attractive variable rate pricing for 4 years
- Preserved floating rate debt, while also improving the existing swap hedge by eliminating basis risk
- Preserved capacity of bank line of credit facilities for other Commonwealth needs, which will result in better process and lower fees
- Diversified the Commonwealth's portfolio of floating rate bonds
- Diversified investor base
 - Meaningful amount of investor contact via Internet road show, one-on-one meetings, and one-on-one calls
 - Every investor who was engaged approved of the credit
- Established benchmarks for bank line of credit facilities, future SIFMA Index Bonds
- Flexibility in pricing allowed for multiple reductions in the spread to SIFMA, ability to move bonds into different maturities

S&P Outlook Revision: "S&P revised their outlook from "Stable" to "Positive" citing "...commonwealth's ongoing progress in improving financial, debt, and budget management practices, while at the same time implementing cost control and reform measures associated with its long-term liabilities" as the driver of the revision."



**II. Summary of \$80.005 mm General Obligation Refunding
Bonds, 2011 Series B & \$360 mm General Obligation
Consolidated Loan of 2011 Series A Financings**

Series 2011 B Refunding Summary

- Legislation passed by the Commonwealth in 2008 permitted the Commonwealth to issue general obligation bonds to refund certain lease obligations including the Plymouth County COPs
- Plymouth County, Massachusetts Certificates of Participation ("COP") – Plymouth County Correctional Facility Project, Series 1999 became callable at par on April 1, 2011
- At the request of A&F, the STO moved forward with the refunding in March 2011
- The STO solicited ideas from 10 of the pre-qualified senior managers and co-senior managers
- Firm chosen to lead the transaction, as well as make-up of the underwriting syndicate, was determined by the quality of responses to the mini RFP process held by the STO
- The Commonwealth's GO refunding bonds were issued on a negotiated basis targeting retail buyers to refund the Series 1999 COPs
- The Commonwealth implemented an extensive marketing plan including print, radio and website banner advertisements, following on the past success of such retail-focused programs
- The refunding resulted in a significant refinancing for the Commonwealth, including budgetary savings in Fiscal 2011 and 2012

Series 2011 B Refunding Summary

Tasks / Objectives:

- Current refund the Plymouth County, MA Certificates of Participation Series 1999 Plymouth County Correctional Facilities Project
- Refunding bonds were issued as Commonwealth General Obligation bonds
- Maximize total cash flow savings
- Achieve lowest TIC
- Create \$5 million in FY 2011 savings

Structural Considerations

- Plymouth County COPs had semiannual maturities of 4/1 and 10/1
- Lowest TIC could be produced using 7/1 maturity dates given steepness of early/mid/late MMD curve
- TIC savings of approximate 14 basis points and incremental present value savings of \$706 thousand created using the maturity structure
- Overall final maturity shortened by 9 months

Execution Strategy:

- Involved early release of POS; print, radio and banner ads; and manager dialogue with potential buyers
- Targeted retail and professional retail investors that typically take advantage of the front end of the yield curve

Series 2011 B Refunding Marketing Plan to Target Retail Investors



- | | | |
|--|---|--|
| <ul style="list-style-type: none"> • POS mailed a week prior for ample marketing time • Updated website buymassbonds.com to direct retail investors to broker dealers working on the transaction | <ul style="list-style-type: none"> • Start of internet banner ads on Boston.com which ran from March 18th through until the day of pricing, March 22nd • Start of radio ads on WBZ News Radio 1030 from March 18th through the day of pricing, March 22nd • Print ad posted in the Boston Globe on March 20th • Confirmed ratings of Aa1, AA, AA+ by Moody's, Standard and Poor's and Fitch, respectively • Confirmed outlook of stable, positive, and stable by Moody's, Standard and Poor's and Fitch, respectively | <ul style="list-style-type: none"> • Start of Retail Order Period • Generated over \$61 million of retail orders, 76.9% of par • Moved maturity amounts to accommodate oversubscribed retail orders • Shut off orders in certain oversubscribed maturities to direct order flow to unsubscribed maturities • Institutional Pricing at end of retail order period for the remaining balance • Limited institutional participation on the remaining balance • Widened the 2018 and 2019 yields by 1 to 2 basis points and senior manager and syndicate members underwrote the remaining balance |
|--|---|--|

Series 2011 B Refunding Summary

Radio Ad on WBZ News Radio 1030 AM
20 second ad continuously broadcasted
on Friday 3/18, Sunday 3/20, Monday 3/21,
and Tuesday 3/22

**WBZ NEWS
RADIO 1030**

Print Ad in the Boston Globe

Published and circulated Sunday 3/20

An investment in Massachusetts
is a community investment



Proposed New Issue

\$78,525,000*

The Commonwealth of Massachusetts General
Obligation Refunding Bonds

2011 Series B

RETAIL SALE PERIOD - March 22, 2011*

(Sale period may be terminated earlier based on demand or market conditions.)

- Backed by the full faith and credit of the Commonwealth of Massachusetts
- Exempt from federal and Massachusetts income taxes**
- Expected maturity range of 2011 Series B: 2012 through 2021*

Invest locally. Invest in Massachusetts.

For more information about Massachusetts bonds, visit the State
Treasurer's Website at www.buymassachusettsbonds.com

To place an order for bonds or for more information about this
upcoming offering, please consult any of the firms below.

Siebert, Brandford Shank & Co., L.L.C.
(800) 344-6500

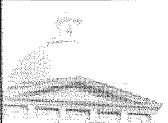
BoiA Merrill Lynch (617) 267-1235	Barclays Capital (800) 392-8000	Citi (800) 245-1200
Deutsche Capital Markets (617) 371-0000	Jefferies & Company (617) 371-0000	J.P. Morgan (800) 354-2241
Morgan Stanley (617) 400-4000	Ramsey & Co., Inc. (617) 257-7350	Raymond James & Associates, Inc. (877) 344-7512

*Preliminary subject to change when, as and if needed, Subject to availability. There
can be no guarantee that all bond requests of a certain maturity will be filled.

**Investors interested in participating in the Commonwealth's securities should
review the preliminary official statement. Under no circumstances shall this
announcement constitute an offer to sell or a solicitation of an offer to buy
but, still, there is any sale of the Bonds in any jurisdiction in which such
offer, solicitation or sale would be unlawful prior to registration or qualifica-
tion under the securities laws of such jurisdiction. The Bonds will be sold by
means of an Official Statement.

Series 2011 B Refunding Summary

- Internet banner ads on Boston.com
- Continuously ran on the website on Friday 3/18, Sunday 3/20, Monday 3/21 and Tuesday 3/22



Invest in Massachusetts

The Commonwealth of Massachusetts is selling tax exempt bonds to individual investors March 22, 2011.

To learn about the state's special pre-sale for individual investors, visit: Buymassachusettsbonds.com

This ad is not an offer to sell nor a solicitation of an offer to buy bonds. Bonds may only be purchased through a broker and through an Official Statement.

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Series 2011 B Refunding Summary Pricing and Refunding Results

- On March 22, 2011, the Commonwealth priced \$80.005 mm of 2011 Series B GO Refunding Bonds using a retail-only order period
- Entered into retail order period with aggressive yields spread against the Mid MMD
- First maturity (\$7.075 mm) was sold via competitive sealed bid
- Over \$61.5 million retail orders generated, approximately 76.9% of total par and 84% of bonds offered to retail
- Remaining balance offered to institutional buyers on the same day at same retail pricing levels
- With lack of institutional buyers, underwriters took into inventory the remaining balances

Maturity	Yield	Retail Order Period & Preliminary Pricing Spreads		Repricing & Final Pricing Spreads		Pricing Benchmarks	
		Spread to Current (bps)	Spread to Mid MMD (bps)	Spread to Current (bps)	Spread to Mid MMD (bps)	Current MMD	Mid MMD
1/1/2012	0.30%	Sealed Bid		(2)	1*	0.32%	0.29%*
7/1/2012	0.47%	15	7	15	7	0.32%	0.40%
7/1/2013	0.78%	17	10	17	10	0.61%	0.68%
7/1/2014	1.13%	20	13	20	13	0.93%	1.00%
7/1/2015	1.58%	18	16	18	16	1.40%	1.42%
7/1/2016	1.94%	24	18	24	18	1.70%	1.76%
7/1/2017	2.24%	27	20	27	20	1.97%	2.04%
7/1/2018	2.53%	25	20	26	21	2.27%	2.32%
7/1/2019	2.79%	24	20	26	22	2.53%	2.57%
7/1/2020	3.00%	24	20	24	20	2.76%	2.80%
7/1/2021	3.19%	21	20	21	20	2.98%	2.99%

Refunding Results	
Arbitrage Yield	3.77845%
True Interest Cost	2.43543%
All-in True Interest Cost	2.43543%
Average Life	5.328 years
Cashflow Savings	14,094,251.84
Net PV Savings (\$)	12,202,273.86
Net PV Savings (%)	12.64365%

*Early MMD

= Widening Spreads

Series 2011 B Refunding Summary

- Current refunding of the Plymouth County Certificates of Participation into the Commonwealth of Massachusetts General Obligation bonds was highly successful
- Offered bonds on a negotiated basis to target retail buyers
- Extensive marketing plan with local radio ads, print ads, and website banners to attract retail buyers
- This allowed us to garner best pricing for the bonds, and allowed us to continue to expand our retail investor base
- Retail investors continue to be the largest holders of Commonwealth bonds
- Overall refunding generated \$14.0 million in cash flow savings, \$12.2 million or 12.64% in present value savings
- Shortened structure of bonds outstanding by more than 8 months

Review of Series 2011 A G.O. Competitive Bond Sale

- On the day after the negotiated Plymouth County refunding pricing, the Commonwealth sold \$360 mm in bonds to institutional investors via a competitive bid
- This was the first new-money G.O. transaction since the expiration of the Build America Bond (BABs) program and the first tax-exempt competitive sale since May 2009
 - BABs expired in December 2010
- The Commonwealth used BABs for four new-money G.O. transactions
- Most transactions were structured longer on the yield curve where the benefit of the temporary BABs program was the greatest
- As a result of previous financings, the Commonwealth's longer borrowing needs – years 19 to 30 – for Fiscal 2011 and 2012 are already satisfied at very low net-of-BABs subsidy levels
- Subsequent financings, including the Series 2011 A transaction, will be structured much shorter



Review of Series 2011 A G.O. Bond Sale

- Following the success of the previous competitive bond sales, the STO held another competitive bond sale of \$360 million general obligation tax-exempt bonds in March 2011
- The bonds were sold as tax-exempt bonds to intermediate term investors
 - Previous competitive sales had been all taxable securities (Build America Bonds)
 - This was the Commonwealth's first competitive bid of tax-exempt bonds since May of 2009
 - This sale was \$110 million larger than the sale in 2009
 - This allowed the Commonwealth to further its completion of a 3-year borrowing plan with attractive yields
- Bid results: Total of 9 bids received, winning bid at a TIC of 4.233%
 - Very tight cover bid – (.01);
 - All bids were within 7bps of winning bid
- The bonds averaged a spread of 30 bps to the market benchmark MMD



III. Waiver Application

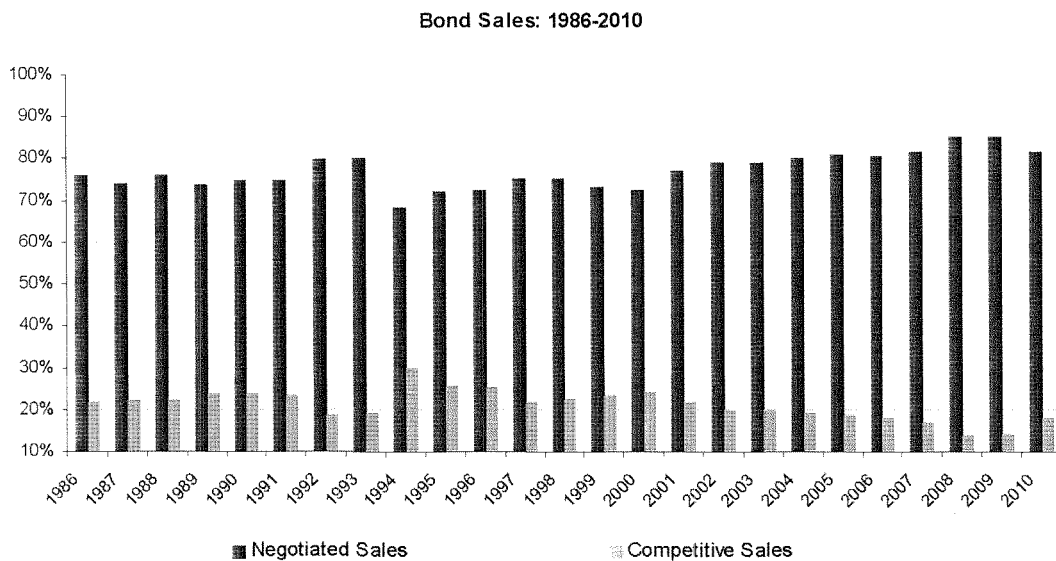
Use of Competitive & Negotiated Method of Sale

- The Treasurer's Office approaches all Commonwealth transactions under the assumption that bonds will be sold on a competitive basis
- However, when market conditions or the structure of the bonds warrant the flexibility of a negotiated sale, the Commonwealth has sought a waiver from the requirements of Section 53 of Chapter 29 of the M.G.L.'s
- Waiver applications have been consistent, laying out the various conditions for which the Commonwealth seeks the flexibility of the negotiated sale method in order to try to sell Commonwealth bonds more efficiently and at lower yields
- All waivers have had defined dates of expiration – they're not open-ended
- Given the amount of borrowing and types of bonds to be issued in Fiscal 2011, the Commonwealth will likely continue to use a mix of competitive and negotiated methods of sale
 - New-money GO needs total \$1.625 bn
 - New-money ABP needs total \$676 mm – funded using new credits of special obligation bonds and GANs
 - Refundings when and if market conditions provide such opportunities



Competitive vs. Negotiated Bond Sales: 1986 to 2010

- The Commonwealth's use of both methods of sale is consistent with market practice
- Since 2004, more than 80% of the annual sale of bonds in the municipal market were sold via negotiated sale
- In 2010, more than 82% of the debt sold in the municipal market was sold via negotiated process



Source: Thomson Reuters



Use of Competitive & Negotiated Method of Sale

- Four of the last five new money G.O. transactions have been sold competitively, as well as six of the last nine
- In Fiscal 2009, 87% of all the bonds sold were sold via negotiated sale and 13% competitive sale – this includes refundings but does not include RANs
- In Fiscal 2010, 79% of all the bonds sold were sold via negotiated sale and 21% competitive sale – this includes refundings but not the \$1.2 bn in RANs sold competitively
- In Fiscal 2011 year-to-date, 60% of all bonds have been sold negotiated and 40% have been sold competitively – this includes all refundings, all special obligations bonds, but does not include \$1.2 bn in RANs sold competitively – more than 3x competitive sales than the market average



Waiver Application

- The Commonwealth is now seeking a \$525 mm waiver to finance the remaining portion of the Fiscal 2011 bond cap
- Bonds will be sold in shorter maturities, primarily targeting individual investors
- The bond sale is also expected to include bonds sold in \$1,000 denominations, lower than the typical denomination of \$5,000 per bond
- This will be the first time bonds are offered to investors in smaller denominations since 1990
- The goal of smaller denominations is to allow more Massachusetts residents to participate in Commonwealth financings
- This has substantial long-term benefits: it allows the Commonwealth to expand its base of investors; and it provides an opportunity for Massachusetts residents to support the Commonwealth's capital plan

Waiver Application

- Given the weakness of the municipal market, the financing will require significant investor outreach and communication to both retail and institutional investors
 - Outflows from municipal bond funds have occurred for more than 22 consecutive weeks, accounting for more than \$30 bn in funds
 - Issuance in 2011 remains very light, with significant selling pressures in the secondary market with funds liquidating
 - This has made price discovery difficult, with continual changes in MMD
 - And it requires flexibility in structuring afforded by a negotiated bond sale
 - Using a negotiated sale, the STO has the ability to adjust where bonds are offered and adjust pricing levels based on investor feedback and demand
 - This is really critical to achieve positive results in choppy markets
-
- The Commonwealth is now seeking a waiver for up to \$525 mm in G.O. borrowing
 - Waiver expires 6/30/2011

NEW MONEY ISSUE - BOOK-ENTRY-ONLY

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by The Commonwealth of Massachusetts described herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Bond Counsel is further of the opinion that, under existing law, interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of or the accrual or receipt of interest on, the Bonds. See "TAX EXEMPTION" herein.

THE COMMONWEALTH OF MASSACHUSETTS**\$490,000,000***

**General Obligation Bonds
Consolidated Loan of 2011**

\$485,000,000***Series B****\$5,000,000*****Series C (Build Mass. Bonds)****Dated: Date of Delivery****Due: As shown on the inside cover hereof**

The Bonds will be issued by means of a book-entry-only system evidencing ownership and transfer of the Bonds on the records of The Depository Trust Company, New York, New York ("DTC"), and its participants. Details of payment of the Bonds are more fully described in this Official Statement. The Series B Bonds will bear interest from their date of delivery and interest will be payable on February 1, 2012 and semiannually thereafter on August 1 and February 1 and at maturity, calculated on the basis of a 360-day year of twelve 30-day months. The Series C Bonds will accrue interest from their date of delivery compounded semiannually February 1 and August 1, commencing February 1, 2012, payable only at their maturity. The Series B Bonds are subject to redemption prior to maturity as more fully described herein. The Series C Bonds are not subject to redemption prior to maturity.

The Bonds will constitute general obligations of The Commonwealth of Massachusetts (the "Commonwealth"), and the full faith and credit of the Commonwealth will be pledged to the payment of the principal of and interest on the Bonds. However, for information regarding certain statutory limits on state tax revenue growth and on expenditures for debt service, see "SECURITY FOR THE BONDS" (herein) and the Commonwealth Information Statement (described herein) under the headings "COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues" and "LONG-TERM LIABILITIES – General Authority to Borrow; Limit on Debt Service Appropriations."

The Bonds are offered when, as and if issued and received by the Underwriters, and subject to the unqualified approving opinion as to legality of Nixon Peabody LLP, Boston, Massachusetts, Bond Counsel. Certain legal matters will be passed upon for the Commonwealth by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, McCarter & English, LLP, Boston, Massachusetts. The Bonds are expected to be available for delivery at DTC in New York, New York, on or about June 1, 2011.

J.P. Morgan

**BofA Merrill Lynch
Fidelity Capital Markets
Ramirez & Co., Inc.**

**Barclays Capital
Jefferies & Company**

**Citi
Morgan Stanley
Siebert Brandford Shank & Co., LLC**

**BB&T Capital Markets
Edward Jones
KeyBanc Capital Markets
M.R. Beal & Company
Prager, Sealy & Co., LLC
Roosevelt & Cross, Inc.**

**Cabrera Capital Markets, LLC
Jackson Securities
Loop Capital Markets, LLC
Oppenheimer & Co. Inc.
RBC Capital Markets**

**Eastern Bank
Janney Montgomery Scott
Morgan Keegan
Piper Jaffray & Co.
Raymond James & Associates, Inc.
Stone & Youngberg**

May __, 2011

* Preliminary, subject to change.

THE COMMONWEALTH OF MASSACHUSETTS

\$490,000,000*

General Obligation Bonds Consolidated Loan of 2011

\$485,000,000* Series B

Dated: Date of Delivery

Due: August 1, as shown below

<u>Maturity</u> *	<u>Amount</u> *	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP Number**</u>
2012	\$45,000,000	%	%	
2013	45,000,000			
2014	45,000,000			
2015	45,000,000			
2016	45,000,000			
2017	45,000,000			
2018	45,000,000			
2019	25,000,000			
2020	25,000,000			
2021	25,000,000			
2022	25,000,000			
2023	25,000,000			
2024	20,000,000			
2025	25,000,000			

\$5,000,000* Series C (Build Mass. Bonds)

Dated: Date of Delivery

Due: February 1, as shown below

Capital Appreciation Bonds

<u>Maturity</u> *	<u>Initial Amount</u> *	<u>Yield</u>	<u>Amount per \$1,000 Final Accreted Value</u>	<u>CUSIP Number**</u>
2014	\$	%	\$	

* Preliminary, subject to change.

** Copyright, American Bankers Association. CUSIP data herein are provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP numbers listed above are being provided solely for the convenience of Bondowners only at the time of issuance of the Bonds and the Commonwealth does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

No dealer, broker, salesperson or other person has been authorized by The Commonwealth of Massachusetts or the Underwriters to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing. This Official Statement does not constitute an offer to sell or a solicitation of any offer to buy nor shall there be any sale of the Bonds offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein or included by reference herein has been furnished by the Commonwealth and includes information obtained from other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriters or, as to information from other sources, the Commonwealth. The information and expressions of opinion herein or included by reference herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Commonwealth, or its agencies, authorities or political subdivisions, since the date hereof, except as expressly set forth herein.

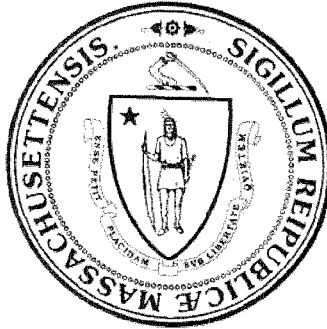
THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT: THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPECTIVE RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

IN CONNECTION WITH THIS OFFERING THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL ON THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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THE COMMONWEALTH OF MASSACHUSETTS



CONSTITUTIONAL OFFICERS

Deval L. Patrick.....Governor
Timothy P. Murray..... Lieutenant Governor
William F. Galvin.....Secretary of the Commonwealth
Martha Coakley.....Attorney General
Steven Grossman..... Treasurer and Receiver-General
Suzanne M. Bump..... Auditor

LEGISLATIVE OFFICERS

Therese Murray.....President of the Senate
Robert A. DeLeo.....Speaker of the House

OFFICIAL STATEMENT
THE COMMONWEALTH OF MASSACHUSETTS

\$490,000,000*
General Obligation Bonds
Consolidated Loan of 2011
\$485,000,000* Series B
\$5,000,000 Series C* (Build Mass. Bonds)

INTRODUCTION

This Official Statement (including the cover page and Appendices A through C attached hereto) provides certain information in connection with the issuance by The Commonwealth of Massachusetts (the "Commonwealth") of its \$485,000,000* General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds") and its \$5,000,000* General Obligation Bonds, Consolidated Loan of 2011, Series C (Build Mass. Bonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds"). The Bonds will be general obligations of the Commonwealth, and the full faith and credit of the Commonwealth will be pledged to the payment of the principal of and interest on the Bonds. However, for information regarding certain statutory limits on state tax revenue growth and expenditures for debt service, see "SECURITY FOR THE BONDS" and the Commonwealth Information Statement (described below) under the headings "COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues" and "LONG-TERM LIABILITIES – General Authority to Borrow; *Limit on Debt Service Appropriations.*"

The Bonds are being issued to finance certain authorized capital projects of the Commonwealth. See "THE BONDS – Application of Proceeds of the Bonds."

Purpose and Content of Official Statement

This Official Statement describes the terms and use of proceeds of, and security for, the Bonds. This introduction is subject in all respects to the additional information contained in this Official Statement, including Appendices A through C. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document.

Specific reference is made to the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as it appears as Appendix A in the Official Statement dated March 23, 2011 of the Commonwealth with respect to its \$80,005,000 General Obligation Refunding Bonds, 2011 Series B and its \$360,000,000 General Obligation Bonds, Consolidated Loan of 2011, Series A (the "March Official Statement"). A copy of the March Official Statement has been filed with the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system. The information contained in the March Information Statement has been supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May Supplement"), which is attached hereto as Appendix A. The March Information Statement and the May Supplement are referred to herein collectively as the "Information Statement." Subsequent filings by the Commonwealth to the EMMA system, prior to the sale of the Bonds, of continuing disclosure documents identified as "other financial/operating data" are hereby deemed to be included by reference in the Information Statement. The Information Statement contains certain fiscal, budgetary, financial and other general information concerning the Commonwealth. Exhibit A to the Information Statement contains certain economic information concerning the Commonwealth. Exhibit B to the Information Statement contains the financial statements of the Commonwealth for the fiscal year ended June 30, 2010, prepared on a statutory basis. Exhibit C to the Information Statement contains the financial statements of the Commonwealth for the fiscal year ended June 30, 2010, prepared on a GAAP basis. Specific

* Preliminary, subject to change.

reference is made to said Exhibits A, B and C, copies of which have been filed with EMMA. The financial statements are also available at the website of the Comptroller of the Commonwealth.

Appendix B attached hereto contains the proposed form of legal opinion of Bond Counsel with respect to the Bonds. Appendix C attached hereto contains the proposed form of the Commonwealth's continuing disclosure undertaking to be included in the form of the Bonds to facilitate compliance by the Underwriters with the requirements of paragraph (b)(5) of Rule 15c2-12 of the Securities and Exchange Commission.

THE BONDS

General

The Series B Bonds will mature on the dates and in the aggregate principal amounts, and shall bear interest at the rates per annum (calculated on the basis of a 360-day year of twelve 30-day months), as set forth on the inside cover page of this Official Statement. The Series C Bonds will mature on the date as set forth on the inside cover page of this Official Statement. The Bonds will be dated their date of delivery and will bear interest from such date. Interest on the Series B Bonds will be payable semiannually on February 1 and August 1 of each year, and at maturity, commencing February 1, 2012, until the principal amount is paid. The Series C Bonds will accrue interest from their date of delivery compounded semiannually February 1 and August 1, commencing February 1, 2012, payable only at their maturity. The Commonwealth will act as its own paying agent with respect to the Bonds. The Commonwealth reserves the right to appoint from time to time a paying agent or agents or bond registrar for the Bonds.

Accreted Value of Series C Bonds. The holders of the Series C Bonds will receive no interest prior to maturity. For the Series C Bonds, the Accreted Value per \$1,000 due at maturity shall be as set forth below. For any day other than February 1 or August 1, the Accreted Value shall be interpolated on a straight-line daily basis (assuming a 360-day year and twelve 30-day months) between the Accreted Value for the immediately preceding February 1 or August 1 and the next succeeding February 1 or August 1, as the case may be.

Accreted Value of Series C Bonds Maturing February 1, 2014 Capital Appreciation Bonds

<u>Period Ending</u>	<u>Accreted Value</u>
February 1, 2012	\$
August 1, 2012	
February 1, 2013	
August 1, 2013	
February 1, 2014	

Book-Entry-Only System. The Bonds will be issued by means of a book-entry-only system, with one bond certificate for each maturity of each series bearing a particular interest rate of each series immobilized at The Depository Trust Company, New York, New York ("DTC"). The certificates will not be available for distribution to the public and will evidence ownership of the Series B Bonds in principal amounts of \$5,000 or integral multiples thereof, and the Series C Bonds in denominations of \$1,000 Accreted Value at maturity, or integral multiples thereof. Transfers of ownership will be effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Interest and principal due on the Bonds will be paid in federal funds to DTC or its nominee as registered owner of the Bonds. As long as the book-entry-only system remains in effect, DTC or its nominee will be recognized as the owner of the Bonds for all purposes, including notices and voting. The Commonwealth will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. See "BOOK-ENTRY-ONLY SYSTEM."

Redemption

The Series C Bonds are not subject to redemption prior to maturity.

Optional Redemption – Series B Bonds. The Series B Bonds will be subject to redemption on any date prior to their stated maturity dates on and after _____ at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

Notice of Redemption. The Commonwealth shall give notice of redemption to the owners of the applicable Series B Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Series B Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Series B Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Series B Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

Selection for Redemption. In the event that less than all of any maturity of any Series B Bonds is to be redeemed, and so long as the book-entry-only system remains in effect for such Series B Bonds, the particular Series B Bonds or portion of any such Series B Bonds of a particular maturity to be redeemed will be selected by DTC by lot. If the book-entry-only system no longer remains in effect for the Series B Bonds, selection for redemption of less than all of any one maturity of the Series B Bonds will be made by the Commonwealth by lot in such manner as in its discretion it shall deem appropriate and fair. For purposes of selection by lot within a maturity, each \$5,000 of principal amount of a Series B Bond will be considered a separate Series B Bond.

Application of Proceeds of the Bonds

The Bonds are being issued pursuant to the provisions of Section 49 of Chapter 29 of the Massachusetts General Laws and specific bond authorizations enacted by the Legislature. The net proceeds of the sale of the Bonds, including any premium received by the Commonwealth upon original delivery of the Bonds, will be applied by the Treasurer and Receiver-General of the Commonwealth (the “State Treasurer”) to the various purposes for which the issuance of bonds has been authorized pursuant to such special laws, or to reimburse the Commonwealth’s treasury for expenditures previously made pursuant to such laws. Any remaining premium received by the Commonwealth upon original delivery of the Bonds and not applied to the various purposes for which bonds have been authorized will be applied to the costs of issuance thereof.

The purposes for which the Bonds will be issued have been authorized by the Legislature under various bond authorizations. The proceeds will be used to finance or reimburse the Commonwealth for a variety of capital expenditures that are included within the current capital spending plan established by the Executive Office for Administration and Finance. The plan, which is an administrative guideline and is subject to amendment at any time, sets forth capital spending allocations and establishes annual capital spending limits. See the Commonwealth Information Statement under the heading “COMMONWEALTH CAPITAL INVESTMENT PLAN.”

SECURITY FOR THE BONDS

The Bonds will be general obligations of the Commonwealth to which its full faith and credit will be pledged for the payment of principal and interest when due. However, it should be noted that Chapter 62F of the Massachusetts General Laws imposes a state tax revenue growth limit and does not exclude principal and interest payments on Commonwealth debt obligations from the scope of the limit. It should be noted further that Section 60B of Chapter 29 of the Massachusetts General Laws imposes an annual limitation on the percentage of total appropriations that may be expended for payment of interest and principal on general obligation debt of the Commonwealth. These statutes are both subject to amendment or repeal by the Legislature. Currently, both

actual tax revenue growth and annual general obligation debt service are below the statutory limits. See the Commonwealth Information Statement under the headings "COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues" and "LONG-TERM LIABILITIES – General Authority to Borrow; *Limit on Debt Service Appropriations.*"

The Commonwealth has waived its sovereign immunity and consented to be sued on contractual obligations, including the Bonds, and all claims with respect thereto. However, the property of the Commonwealth is not subject to attachment or levy to pay a judgment, and the satisfaction of any judgment generally requires a legislative appropriation. Enforcement of a claim for payment of principal or interest on the Bonds may also be subject to the provisions of federal or state statutes, if any, hereafter enacted extending the time for payment or imposing other constraints upon enforcement, insofar as the same may be constitutionally applied. The United States Bankruptcy Code is not applicable to the Commonwealth. Under Massachusetts law, the Bonds have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code. The Bonds are not subject to acceleration.

LITIGATION

No litigation is pending or, to the knowledge of the Attorney General, threatened against or affecting the Commonwealth seeking to restrain or enjoin the issuance, sale or delivery of the Bonds or in any way contesting or affecting the validity of the Bonds.

There are pending in courts within the Commonwealth various suits in which the Commonwealth is a defendant. In the opinion of the Attorney General, no litigation is pending or, to her knowledge, threatened which is likely to result, either individually or in the aggregate, in final judgments against the Commonwealth that would affect materially its financial condition. For a description of certain litigation affecting the Commonwealth, see the Commonwealth Information Statement under the heading "LEGAL MATTERS."

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company, New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity set forth on the inside cover page hereof, each in the aggregate principal amount (initial principal amount in the case of the Series C Bonds) of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's

highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Commonwealth as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

THE COMMONWEALTH WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR BY ANY DIRECT OR INDIRECT PARTICIPANT, THE PAYMENT OF OR THE PROVIDING OF NOTICE TO THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OR WITH RESPECT TO ANY OTHER ACTION TAKEN BY DTC AS BOND OWNER.

The principal of and interest and premium, if any, on the Bonds will be paid to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, as registered owner of the Bonds. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Commonwealth, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and

customary practices, as is the case with municipal securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Commonwealth, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of the principal of and interest and premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Commonwealth, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The Commonwealth cannot give any assurances that Direct Participants or others will distribute payments of principal of and interest on the Bonds paid to DTC or its nominee, as the registered owner, to the Beneficial Owners, or that they will do so on a timely basis or that DTC will serve and act in a manner described in this document.

Beneficial Owners of the Bonds will not receive or have the right to receive physical delivery of such Bonds and will not be or be considered to be the registered owners thereof. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the holders or registered owners of the Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Bonds, except as otherwise expressly provided herein.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Commonwealth. Under such circumstances, in the event that a successor depository is not obtained, Bonds will be delivered and registered as designated by the Beneficial Owners. The Beneficial Owner, upon registration of Bonds held in the Beneficial Owner's name, will become the Bondowner. Bond certificates are required to be printed and delivered.

The Commonwealth may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In such event, Bond certificates will be printed, delivered and registered as designated by the Beneficial Owners.

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY-ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE COMMONWEALTH BELIEVES TO BE RELIABLE, BUT THE COMMONWEALTH TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

RATINGS

The Bonds have been assigned long-term ratings of "___," "___" and "___" by Fitch Ratings ("Fitch"), Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Ratings Services ("Standard & Poor's"), respectively.

Such ratings reflect only the respective views of such organizations, and an explanation of the significance of such ratings may be obtained from the rating agency furnishing the same. There is no assurance that a rating will continue for any given period of time or that a rating will not be revised or withdrawn entirely by any or all of such rating agencies, if, in its or their judgment, circumstances so warrant. Any downward revision or withdrawal of a rating could have an adverse effect on the market prices of the Bonds.

UNDERWRITING

The Underwriters, represented by J.P. Morgan Securities LLC, have agreed, subject to certain conditions, to purchase all of the Bonds from the Commonwealth at a discount from the initial offering prices of the Bonds equal to approximately _____% of the aggregate principal amount of the Bonds. The Underwriters may offer and sell the Bonds to certain dealers and others (including dealers depositing the Bonds into investment trusts) at prices lower than the public offering prices (or yields higher than the offering yields)

stated on the inside cover page hereof. The principal offering prices (or yields) set forth on the inside cover page hereof may be changed from time to time after the initial offering by the Underwriters.

The following language has been provided by the underwriters named therein. The Commonwealth takes no responsibility as to the accuracy or completeness thereof.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of UBS Financial Services Inc. ("UBSFS") and Charles Schwab & Co., Inc. ("CS&Co.") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement (if applicable to this transaction), each of UBSFS and CS&Co. will purchase Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that such firm sells.

Morgan Stanley and Citigroup Inc., the respective parent companies of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc., each an underwriter of the Bonds, have entered into a retail brokerage joint venture. As part of the joint venture each of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc. will distribute municipal securities to retail investors through the financial advisor network of a new broker-dealer, Morgan Stanley Smith Barney LLC. This distribution arrangement became effective on June 1, 2009. As part of this arrangement, each of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc. will compensate Morgan Stanley Smith Barney LLC. for its selling efforts in connection with their respective allocations of Bonds.

Piper Jaffray & Co., ("Piper") has entered into an agreement (the "Piper Distribution Agreement") with Advisors Asset Management, Inc. ("AAM") for the distribution of certain municipal securities offerings, including the Bonds, allocated to Piper at the original offering prices. Under the Piper Distribution Agreement, Piper will share with AAM a portion of the fee or commission, exclusive of management fees, paid to Piper.

TAX EXEMPTION

Federal Income Taxes

The Code imposes certain requirements that must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for Federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for Federal income tax purposes retroactive to the date of issue of the Bonds. The Commonwealth has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Commonwealth has made certain representations and certifications relating to the exclusion from gross income for federal income tax purposes of interest on the Bonds. Bond Counsel will not independently verify the accuracy of those representations and certifications.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the aforementioned covenant, and the accuracy of certain representations and certifications made by the Commonwealth described above, interest on the Bonds is excluded from gross income for Federal income tax purposes under Section 103 of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Interest on the Bonds is, however, included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax imposed on such corporations.

State Taxes

Bond Counsel is also of the opinion that, under existing law, interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. Bond Counsel has not opined as to other Massachusetts tax consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should be aware, however, that the Bonds are included in the measure of

Massachusetts estate and inheritance taxes, and the Bonds and the interest thereon are included in the measure of certain Massachusetts corporate excise and franchise taxes. Bond Counsel expresses no opinion as to the taxability of the Bonds or the income therefrom or any other tax consequences arising with respect to the Bonds under the laws of any state other than Massachusetts.

Original Issue Discount

Bond Counsel is further of the opinion that the difference between the principal amount of the Bonds maturing 20__ through 20__, inclusive and on 20__ (collectively the "Discount Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity was sold constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

Original Issue Premium

The Bonds maturing on 20__ and on 20__ and 20__ (collectively, the "Premium Bonds") are being offered at prices in excess of their principal amounts. An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

Ancillary Tax Matters

Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, and individuals seeking to claim the earned income credit. Ownership of the Bonds may also result in other federal tax consequences to taxpayers who may be deemed to have incurred or continued indebtedness to purchase or to carry the Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Commencing with interest paid in 2006, interest paid on tax-exempt obligations such as the Bonds is subject to information reporting to the Internal Revenue Service (the "IRS") in a manner similar to interest paid on taxable obligations. In addition, interest on the Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Bond Counsel is not rendering any opinion as to any Federal tax matters other than those described in the opinion attached as Appendix B. Prospective investors, particularly those who may be subject to special

rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Bonds for Federal or state income tax purposes, and thus on the value or marketability of the Bonds. This could result from changes to Federal or state income tax rates, changes in the structure of Federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Bonds from gross income for Federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the Federal or state income tax treatment of holders of the Bonds may occur. Prospective purchasers of the Bonds should consult their own tax advisers regarding such matters.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Bonds may affect the tax status of interest on the Bonds. Bond Counsel expresses no opinion as to any Federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

OPINION OF COUNSEL

The unqualified approving opinions as to the legality of the Bonds will be rendered by Nixon Peabody LLP, of Boston, Massachusetts, Bond Counsel to the Commonwealth. The proposed form of the opinion of Bond Counsel relating to the Bonds are attached hereto as Appendix B. Certain legal matters will also be passed upon by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. of Boston, Massachusetts, as Disclosure Counsel to the Commonwealth. Certain legal matters will be passed upon for the Underwriters by their counsel, McCarter & English, LLP, of Boston, Massachusetts.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with paragraph (b)(5) of Rule 15c2-12, the Commonwealth will undertake in the Bonds to provide annual reports and notices of certain events. A description of this undertaking is set forth in Appendix C attached hereto.

For information concerning the availability of certain other financial information from the Commonwealth, see the Commonwealth Information Statement under the heading "CONTINUING DISCLOSURE."

MISCELLANEOUS

Any provisions of the constitution of the Commonwealth, of all general and special laws and of other documents set forth or referred to in this Official Statement are only summarized, and such summaries do not purport to be complete statements of any of such provisions. Only the actual text of such provisions can be relied upon for completeness and accuracy.

This Official Statement contains certain forward-looking statements that are subject to a variety of risks and uncertainties that could cause actual results to differ from the projected results, including without limitation general economic and business conditions, conditions in the financial markets, the financial condition of the Commonwealth and various state agencies and authorities, receipt of federal grants, litigation, arbitration, force majeure events and various other factors that are beyond the control of the Commonwealth and its various agencies and authorities. Because of the inability to predict all factors that may affect future decisions, actions, events or financial circumstances, what actually happens may be different from what is set forth in such forward-looking statements. Forward-looking statements are indicated by use of such words as "may," "will," "should," "intends," "expects," "believes," "anticipates," "estimates" and others.

All estimates and assumptions in this Official Statement have been made on the best information available and are believed to be reliable, but no representations whatsoever are made that such estimates and assumptions are correct. So far as any statements in this Official Statement involve any matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact. The various tables may not add due to rounding of figures.

The Commonwealth has prepared the prospective financial information set forth in this Official Statement in connection with its budgeting and appropriations processes. This prospective financial information was not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of the Commonwealth, was prepared on a reasonable basis, reflects the best currently available estimates and judgments, and presents, to the best knowledge and belief of the offices of the Commonwealth identified in this Official Statement as the sources of such information, the currently expected course of action and the currently expected future budgeted revenues and expenditures of the Commonwealth. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this Official Statement are cautioned not to place undue reliance on the prospective financial information.

Neither the Commonwealth's independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

The information, estimates and assumptions and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale made pursuant to this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the Commonwealth or its agencies, authorities or political subdivisions since the date of this Official Statement, except as expressly stated.

AVAILABILITY OF OTHER INFORMATION

Questions regarding this Official Statement or requests for additional financial information concerning the Commonwealth should be directed to Colin A. MacNaught, Assistant Treasurer, Office of the Treasurer and Receiver-General, One Ashburton Place, 12th floor, Boston, Massachusetts 02108, telephone (617) 367-3900, x. 226, or Karol D. Ostberg, Director of Capital Finance, Executive Office for Administration and Finance, State House, Room 373, Boston, Massachusetts 02133, telephone (617) 727-2040. Questions regarding legal matters relating to this Official Statement and the Bonds should be directed to Peter S. Johnson, Nixon Peabody LLP, 100 Summer Street, Boston, Massachusetts 02110, telephone (617) 345-1021.

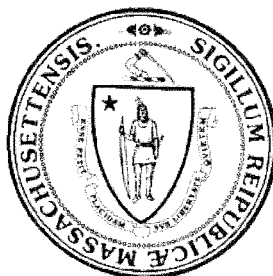
THE COMMONWEALTH OF MASSACHUSETTS

By _____
Steven Grossman
Treasurer and Receiver-General

By _____
Jay Gonzalez
Secretary of Administration and Finance

May __, 2011

**THE
COMMONWEALTH
OF
MASSACHUSETTS**



INFORMATION STATEMENT SUPPLEMENT

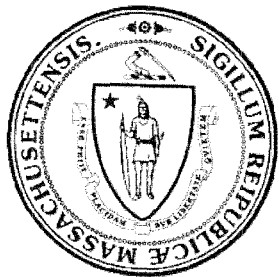
Dated May 6, 2011

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THE COMMONWEALTH OF MASSACHUSETTS



CONSTITUTIONAL OFFICERS

Deval L. Patrick.....Governor
Timothy P. Murray.....Lieutenant Governor
William F. Galvin.....Secretary of the Commonwealth
Martha Coakley.....Attorney General
Steven Grossman.....Treasurer and Receiver-General
Suzanne M. Bump.....Auditor

LEGISLATIVE OFFICERS

Therese Murray.....President of the Senate
Robert A. DeLeo.....Speaker of the House

THE COMMONWEALTH OF MASSACHUSETTS

INFORMATION STATEMENT SUPPLEMENT

May 6, 2011

This supplement ("Supplement") to the Information Statement of The Commonwealth of Massachusetts (the "Commonwealth") dated March 15, 2011 (the "March Information Statement") is dated May 6, 2011 and contains information which updates the information contained in the March Information Statement. The March Information Statement has been filed with the Municipal Securities Rulemaking Board. This Supplement and the March Information Statement must be read collectively and in their entirety in order to obtain the appropriate fiscal, financial and economic information concerning the Commonwealth through May 6, 2011. All capitalized terms not otherwise defined in this Supplement shall have the meanings ascribed to them in the March Information Statement.

The March Information Statement, as supplemented hereby, includes three exhibits. Exhibit A is the Statement of Economic Information, which sets forth certain economic, demographic and statistical information concerning the Commonwealth. Exhibits B and C are, respectively, the Commonwealth's Statutory Basis Financial Report for the year ended June 30, 2010 and the Commonwealth's Comprehensive Annual Financial Report, reported in accordance with generally accepted accounting principles (GAAP), for the year ended June 30, 2010. The Commonwealth's independent auditor has not been engaged to perform, and has not performed, since the respective dates of its reports included herein, any procedures on the financial statements addressed in such reports, nor has said independent auditor performed any procedures relating to the official statement of which this Supplement is a part. Specific reference is made to said Exhibits A, B and C, copies of which have been filed with the Municipal Securities Rulemaking Board. The financial statements are also available at the web site of the Comptroller of the Commonwealth located at <http://www.mass.gov/osc> by clicking on "Publications and Reports" and then "Financial Reports."

RECENT DEVELOPMENTS

Fiscal 2011

On April 11, 2011 the Governor approved supplemental budget legislation that included approximately \$325 million in supplemental appropriations, including \$199.4 million for additional payments from the Medical Assistance Trust Fund to hospitals (these payments are expected to be entirely supported by offsetting federal revenues in fiscal 2011), \$49.8 million for additional projected snow and ice removal cost, \$32.6 million for a reserve for the Trial Court to support collective bargaining increases for OPEIU Local 6 and \$8 million for projected caseload spending by the Department of Housing and Community Development for Emergency Assistance family homeless shelters.

In addition, the legislation restores the statutorily required deposit into the Stabilization Fund of 0.5% of total tax revenue. This deposit was initially suspended in the fiscal 2011 budget. The value of this deposit is projected to be almost \$100 million and is expected to result in a projected fiscal 2011 ending balance of \$770 million in the Stabilization Fund.

On May 4, 2011, the Governor filed legislation requesting new supplemental appropriations totaling \$60.5 million, including \$42 million for costs associated with providing legal representation to indigent persons in criminal and civil court cases and \$15 million for increased caseloads at the Department of Transitional Assistance (DTA).

See the March Information Statement under the heading "FISCAL 2011 AND FISCAL 2012 – Fiscal 2011."

Fiscal 2012

On April 28, 2011, the House of Representatives approved its version of the fiscal 2012 budget, which is based upon the consensus tax revenue estimate for fiscal 2012 of \$20.525 billion. According to the House Committee on Ways and Means, the House budget provides for \$30.543 billion in spending, which is approximately \$5 million lower than the Governor's fiscal 2012 budget proposal. The House budget, like the Governor's proposal, relies upon a \$200 million withdrawal from the Stabilization Fund. The House budget largely mirrors the Governor's fiscal 2012 budget proposals with respect to local aid, one of the largest outlays in the budget. On April 14, 2011, the Senate adopted a local aid resolution endorsing the same levels of local aid. The Senate is expected to debate and approve its version of the budget in late May. Differences between the House and Senate versions of the fiscal 2012 budget will be reconciled by a legislative conference committee.

See the March Information Statement under the heading "FISCAL 2011 AND FISCAL 2012 –Fiscal 2012 Budget Proposals."

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COMMONWEALTH REVENUES AND EXPENDITURES

Statutory Basis Distribution of Budgetary Revenues and Expenditures

The following table sets forth the Commonwealth's revenues and expenditures for fiscal 2006 through fiscal 2010 and projected revenues and expenditures for fiscal 2011.

Budgeted Operating Funds – Statutory Basis (in millions)(1)

	<u>Fiscal 2006</u>	<u>Fiscal 2007</u>	<u>Fiscal 2008</u>	<u>Fiscal 2009</u>	<u>Fiscal 2010</u>	<u>Projected Fiscal 2011</u>
<u>Beginning Fund Balances</u>						
Reserved or Designated	\$355.6	\$947.2	\$351.3	\$171.5	\$68.9	121.9
Bay State Competitiveness Investment Fund	-	-	100.0	-	-	-
Transitional Escrow Fund	304.8	-	-	-	-	-
Stabilization Fund	1,728.4	2,154.7	2,335.0	2,119.2	841.3	669.8
Undesignated	<u>98.4</u>	<u>106.2</u>	<u>114.7</u>	<u>115.1</u>	<u>106.4</u>	<u>111.3</u>
Total	<u>\$2,487.2</u>	<u>\$3,208.1</u>	<u>\$2,901.0</u>	<u>\$2,405.8</u>	<u>\$1,016.6</u>	<u>\$903.1</u>
<u>Revenues and Other Sources</u>						
Alcoholic Beverages	68.9	71.0	71.2	71.9	71.0	71.9
Banks	349.9	340.9	547.8	242.6	234.9	108.5
Cigarettes	435.3	438.1	436.9	456.8	456.2	453.1
Corporations	1,390.7	1,587.6	1,512.2	1,548.6	1,600.3	1,828.9
Deeds	210.1	194.1	153.9	105.5	137.9	115.7
Income	10,483.4	11,399.6	12,483.8	10,583.7	10,110.3	10,926.6
Inheritance and Estate	196.3	249.6	254.0	259.7	221.4	242.1
Insurance	448.5	418.6	417.7	356.7	330.0	348.2
Motor Fuel	671.8	676.1	672.2	654.0	654.6	665.1
Public Utilities	118.5	178.3	120.2	(1.7)	(0.3)	(10.6)
Room Occupancy	105.8	111.1	119.2	109.5	101.6	112.7
Sales:						
Regular	2,864.7	2,927.7	2,952.2	2,799.7	3,282.8	3,477.7
Meals	584.1	608.7	632.9	629.6	759.6	813.1
Motor Vehicles	<u>555.5</u>	<u>531.1</u>	<u>501.6</u>	<u>439.3</u>	<u>569.3</u>	<u>614.5</u>
Sub-Total-Sales	4,004.3	4,067.5	4,086.7	3,868.6	4,611.7	4,905.3
Miscellaneous	<u>4.0</u>	<u>3.8</u>	<u>3.1</u>	<u>3.3</u>	<u>14.1</u>	<u>16.7</u>
Total Tax Revenues	<u>\$18,487.4</u>	<u>\$19,736.3</u>	<u>\$20,879.2</u>	<u>\$18,259.5</u>	<u>\$18,543.7</u>	<u>\$19,784.0</u>
MBTA Transfer	(712.6)	(734.0)	(756.0)	(767.1)	(767.1)	(767.1)
MSBA Transfer	<u>(488.7)</u>	<u>(557.4)</u>	<u>(634.7)</u>	<u>(702.3)</u>	<u>(605.2)</u>	<u>(654.7)</u>
Total Budgeted Operating Tax Revenues	<u>\$17,286.2</u>	<u>\$18,444.9</u>	<u>\$19,488.5</u>	<u>\$16,790.0</u>	<u>\$17,171.4</u>	<u>\$18,362.2</u>
Federal Reimbursements	5,210.1	6,167.6	6,429.5	8,250.9	8,548.8	9,111.1
Departmental and Other Revenues	2,094.3	2,218.4	2,355.9	2,326.2	2,800.9	2,988.5
Inter-fund Transfers from Non-budgeted Funds and other sources (2)	<u>1,714.9</u>	<u>1,785.0</u>	<u>2,039.3</u>	<u>1,850.3</u>	<u>1,788.8</u>	<u>1,786.6</u>
Budgeted Revenues and Other Sources	<u>\$26,305.5</u>	<u>\$28,615.9</u>	<u>\$30,313.2</u>	<u>\$29,217.4</u>	<u>\$30,310.0</u>	<u>\$32,248.4</u>
Inter-fund Transfers	<u>1,358.1</u>	<u>552.9</u>	<u>2,226.3</u>	<u>1,963.8</u>	<u>770.8</u>	<u>409.7</u>
Total Budgeted Revenues and Other Sources	<u>\$27,663.6</u>	<u>\$29,168.8</u>	<u>\$32,539.5</u>	<u>\$31,181.2</u>	<u>\$31,080.8</u>	<u>\$32,658.1</u>
<u>Expenditures and Uses</u>						
Direct Local Aid	4,430.0	4,805.2	5,040.5	4,723.6	4,837.4	4,794.9
Medicaid (3)	6,852.5	7,550.4	8,246.3	8,679.2	9,287.6	10,238.3
Other Health and Human Services	4,433.6	4,625.3	4,796.5	4,828.3	4,616.6	4,666.6
Group Insurance	963.7	1,022.3	852.5	973.1	1,063.8	1,176.1
Department of Elementary and	408.6	459.0	485.8	495.9	358.1	424.4

	<u>Fiscal 2006</u>	<u>Fiscal 2007</u>	<u>Fiscal 2008</u>	<u>Fiscal 2009</u>	<u>Fiscal 2010</u>	<u>Projected Fiscal 2011</u>
Secondary Education						
Higher Education	987.8	1,115.7	1,084.4	1,035.5	845.6	936.9
Department of Early Education and Care	387.1	507.1	549.9	560.3	513.5	510.3
Public Safety	1,288.0	1,399.2	1,544.4	1,514.3	1,423.2	1,419.6
Energy and Environmental Affairs	202.0	238.5	227.1	215.9	202.2	189.9
Debt Service	1,826.7	2,234.4	1,990.1	2,011.7	1,979.9	2,001.3
Post Employment Benefits (4)	1,274.7	1,335.2	1,398.6	1,314.4	1,748.6	1,838.9
Other Program Expenditures	<u>2,138.7</u>	<u>2,364.9</u>	<u>2,414.1</u>	<u>2,350.9</u>	<u>2,509.0</u>	<u>2,063.6</u>
Total - Programs and Services before transfers to Non-budgeted funds	\$25,193.4	\$27,657.2	\$28,630.2	\$28,703.1	\$29,384.5	\$30,260.8
Inter-fund Transfers to Non-budgeted Funds						
Commonwealth Care Trust Fund	-	722.1	1,045.9	987.6	631.7	722.0
State Retiree Benefit Trust Fund (4)	-	-	\$354.7	\$352.0	-	-
Medical Assistance Trust Fund	70.0	364.0	376.7	374.0	313.3	886.1
Massachusetts Transportation Trust Fund	-	-	-	-	- (5)	195.1
Other	<u>321.2</u>	<u>179.6</u>	<u>400.9</u>	<u>189.9</u>	<u>94.1</u>	<u>175.0</u>
Total Inter-Fund Transfers to Non- Budgeted Funds	\$391.2	\$1,265.7	\$2,178.2	\$1,903.5	\$1,039.1	\$1,978.2
Budgeted Expenditures and Other Uses	<u>\$25,584.6</u>	<u>\$28,922.9</u>	<u>\$30,808.4</u>	<u>\$30,606.6</u>	<u>\$30,423.6</u>	<u>\$32,239.0</u>
Inter-fund Transfers	<u>1,358.1</u>	<u>553.0</u>	<u>2,226.3</u>	<u>1,963.8</u>	<u>770.8</u>	<u>409.7</u>
Total Budgeted Expenditures and Other Uses	\$26,942.7	\$29,475.9	\$33,034.7	\$32,570.4	\$31,194.4	\$32,648.7
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$720.9	(\$307.1)	(\$495.2)	(\$1,389.2)	(\$113.6)	\$9.4
<u>Ending Fund Balances</u>						
Reserved or Designated (6)	947.2	351.3	171.5	68.9	122.0	19.0
Bay State Competitiveness Investment Fund	-	100.0	-	-	-	-
Transitional Escrow Fund	-	-	-	-	-	-
Stabilization Fund	2,154.7	2,335.0	2,119.2	841.3	669.8	769.0
Undesignated	<u>106.2</u>	<u>114.7</u>	<u>115.1</u>	<u>106.4</u>	<u>111.3</u>	<u>122.3</u>
Total	\$3,208.1	\$2,901.0	\$2,405.8	\$1,016.6	\$903.1	\$910.3

SOURCES: Fiscal 2006-2010, Office of the Comptroller; fiscal 2011, Executive Office for Administration and Finance.

- (1) Totals may not add due to rounding.
- (2) Inter-fund Transfers from Non-budgeted Funds and Other Sources include profits from the State Lottery, transfer of tobacco settlement funds to allow their expenditure, abandoned property proceeds as well as other inter-fund transfers.
- (3) Excludes off-budget Medicaid spending in fiscal 2006 and fiscal 2007 estimated at \$292 million and \$290 million, respectively. Fiscal 2006 through fiscal 2009 included program administration.
- (4) Starting in fiscal 2010 Post Employment Benefits include budgeted pension transfers and State Retiree Benefit Trust Fund.
- (5) Transfers of approximately \$133.4 million in fiscal 2010 are included in "Other Program Expenditures" above.
- (6) Consists largely of appropriations from previous years, authorized to be expended in current years.

See the March Information Statement "COMMONWEALTH REVENUES AND EXPENDITURES – Statutory Basis Distribution of Budgetary Revenues and Expenditures."

State Taxes

Income Tax. State tax receipts for the first ten months of fiscal 2011 have been significantly higher than receipts during fiscal 2010. See "Fiscal 2010, Fiscal 2011 and Fiscal 2012 Tax Revenues – *Fiscal 2011*," below. Under current state law, the state income tax rate will be reduced from 5.3% to 5.25% (effective January 1, 2012) if the growth in fiscal 2011 inflation adjusted baseline revenues (as defined in state law) over fiscal 2010 exceeds 2.5%, and if for each consecutive three month period starting in August and ending in November 2011 there is positive inflation-adjusted baseline revenue growth as compared to the same consecutive three month period in calendar 2010. It will not be known if this reduction will be triggered until the Commissioner of Revenue makes a

final determination on December 15, 2011. The Department of Revenue estimates that the revenue impact of this rate reduction for fiscal 2012 would be between \$52 million and \$56 million (with a mid-point of \$54 million). The revenue impact for fiscal 2013 (assuming no further rate reduction in calendar year 2013) would be between \$111 million and \$117 million (mid-point of \$114 million).

See the March Information Statement under the heading “COMMONWEALTH REVENUES AND EXPENDITURES – State Taxes; *Income Tax*.”

Fiscal 2010, Fiscal 2011 and Fiscal 2012 Tax Revenues

Fiscal 2011. Preliminary tax revenues for the first ten months of fiscal 2011, ended April 30, 2011, totaled approximately \$16.860 billion, an increase of approximately \$1.927 billion, or 12.9%, over the same period in fiscal 2010. The following table shows the tax collections for the first ten months of fiscal 2011 and the change from tax collections in the same period in the prior year, both in dollars and as a percentage. The table also notes the amount of tax collections in the same month that are dedicated to the MBTA and the MSBA.

Fiscal 2011 Tax Collections (in millions)(1)

<u>Month</u>	<u>Tax Collections</u>	<u>Change from Prior Year</u>	<u>Percentage Change</u>	<u>MBTA Portion(3)</u>	<u>MSBA Portion</u>	<u>Tax Collections: Net of MBTA and MSBA</u>
July	\$1,352.7	\$102.1	8.2%	\$60.3	\$60.3	\$1,232.1
August	1,385.6	89.1	6.9	55.3	55.3	1,275.0
September	2,015.1	249.2	14.1	76.2	51.9	1,887.1
October	1,342.9	118.0	9.6	55.3	55.3	1,232.3
November	1,426.6	137.9	10.7	52.9	52.9	1,320.8
December	2,072.3	186.4	9.9	83.5	54.5	1,934.2
January	2,052.7	207.6	11.2	66.1	66.1	1,920.5
February	932.5	(70.1)	(7.0)	45.9	45.9	840.8
March	1,774.1	149.1	9.2	79.8	48.8	1,645.6
April (1)	2,505.4	757.9	43.4	54.6	54.6	2,396.1
Total (2)	<u>\$16,859.9</u>	<u>\$1,927.2</u>	<u>12.9%</u>	<u>\$629.9</u>	<u>\$545.7</u>	<u>\$15,684.3</u>

SOURCE: Executive Office for Administration and Finance.

(1) Figures are preliminary.

(2) Totals may not add due to rounding.

(3) Includes adjustments of \$24.3 million on account of the first quarter, \$29 million on account of the second quarter, and \$31 million on account of the third quarter.

The year-to-date tax revenue increase of approximately \$1.927 billion through April 30, 2011 from the same period in fiscal 2010 is attributable, in large part, to an increase of approximately \$649.1 million, or 74.7%, in income tax payments with returns and extensions (mostly in April), an increase of approximately \$506.7 million, or 6.8%, in withholding collections, an increase of approximately \$303.6 million, or 26.8%, in income tax estimated payments, a decrease of approximately \$53 million, or 4.0%, in income tax refunds, an increase of approximately \$291.4 million, or 7.7%, in sales and use tax collections, and an increase of approximately \$76.3 million, or 4.6%, in corporate and business tax collections. Year-to-date fiscal 2011 tax collections (through April) were approximately \$732 million above the January 18, 2011 fiscal 2011 tax revenue estimate of \$19.784 billion, which was an upward revision from the consensus estimate used for the original fiscal 2011 budget (adjusted for the impacts of the economic development bill and the sales tax holidays in August, 2010).

See the March Information Statement under the heading “COMMONWEALTH REVENUES AND EXPENDITURES – Fiscal 2010, Fiscal 2011, and Fiscal 2012 Tax Revenues; *Fiscal 2011*.”

Federal and Other Non-Tax Revenues

Lottery Revenues. In March, 2011, the Lottery revised its fiscal 2011 projection to \$956.0 million and in April, 2011 revised its projection to \$958.7 million. The current estimated deficiency for budgetary distributions to be funded by Lottery proceeds is \$29.4 million. See the March Information Statement “COMMONWEALTH REVENUES AND EXPENDITURES – Federal and Other Non-Tax Revenues; *Lottery Revenues*.”

Limitations on Tax Revenues

As of March 31, 2011 actual state tax revenues for fiscal 2011 exceeded the permissible state tax revenue limit set by Chapter 62F by approximately \$651.8 million. Because no withdrawals from the Stabilization Fund are expected to occur during fiscal 2011, the entire amount of any cumulative excess as of the end of fiscal 2011 is expected to be transferred back to the General Fund for inclusion in consolidated net surplus.

The following table shows the quarter by quarter trend of the Temporary Holding Fund for fiscal 2007 through the third quarter of fiscal 2011.

Temporary Holding Fund (in thousands)

	<u>Fiscal 2007</u>	<u>Fiscal 2008</u>	<u>Fiscal 2009</u>	<u>Fiscal 2010</u>	<u>Fiscal 2011</u>
<u>First quarter - period ended September 30</u>					
Cumulative net tax revenues, current fiscal year	\$4,542,170	\$4,796,700	\$4,870,214	\$4,374,038	\$4,819,581
Cumulative net tax revenues, prior fiscal year	4,367,285	4,542,170	4,796,700	4,870,214	4,374,038
Permissible growth rate(1)	8.05%	6.94%	7.89%	4.13%	2.57%
Permissible state tax revenues(2)	<u>4,718,720</u>	<u>4,857,306</u>	<u>5,175,160</u>	<u>5,080,266</u>	<u>4,486,538</u>
Cumulative net revenues, current fiscal year, in excess of permissible revenues	\$ _____	\$ _____	\$ _____	\$ _____	<u>\$333,042</u>
<u>Second quarter - period ended December 31</u>					
Cumulative net tax revenues, current fiscal year	\$8,831,036	\$9,194,513	\$9,200,005	\$8,834,580	\$9,732,050
Cumulative net tax revenues, prior fiscal year	8,526,671	8,831,036	9,194,513	9,200,005	8,834,580
Permissible growth rate(1)	7.62%	6.93%	8.34%	2.10%	3.465%
Permissible state tax revenues(2)	<u>9,175,977</u>	<u>9,442,585</u>	<u>9,960,876</u>	<u>9,392,837</u>	<u>9,140,698</u>
Cumulative net revenues, current fiscal year, in excess of permissible revenues	\$ _____	\$ _____	\$ _____	\$ _____	<u>\$591,351</u>
<u>Third quarter - period ended March 31</u>					
Cumulative net tax revenues, current fiscal year	\$13,659,295	\$14,485,334	\$13,599,204	\$13,358,852	\$14,550,178
Cumulative net tax revenues, prior fiscal year	12,946,485	13,659,294	14,485,334	13,599,204	13,358,852
Permissible growth rate(1)	6.92%	7.41%	7.60%	2.00%	4.039%
Permissible state tax revenues(2)	<u>13,841,734</u>	<u>14,671,584</u>	<u>15,586,799</u>	<u>13,871,188</u>	<u>13,898,416</u>
Cumulative net revenues, current fiscal year, in excess of permissible revenues	\$ _____	\$ _____	\$ _____	\$ _____	<u>651,763</u>
<u>Fourth Quarter - Period ending June 30</u>					
Cumulative net tax revenues, current fiscal year	\$19,848,064	\$21,009,329	\$18,513,036	\$18,792,777	
Cumulative net tax revenues, prior fiscal year	18,592,175	19,848,064	21,009,085	18,513,036	
Permissible growth rate(1)	6.52%	7.66%	6.27%	1.61%	
Permissible state tax revenues(2)	<u>19,804,571</u>	<u>21,368,426</u>	<u>22,325,305</u>	<u>18,810,911</u>	
Cumulative net revenues, current fiscal year, in excess of permissible revenues	<u>\$43,493</u>	\$ _____	\$ _____	\$ _____	

SOURCES: Office of the Comptroller .

(1) Defined as inflation plus 2%, but not less than 0%.

(2) Defined as cumulative net state tax revenues, prior fiscal year, multiplied by 1 plus the permissible growth rate.

See the March Information Statement "COMMONWEALTH REVENUES AND EXPENDITURES -- Limitations on Tax Revenues."

Other Health and Human Services

Office of Children, Youth, and Family Services. The first paragraph on page A-29 of the March Information Statement has been revised to read as follows: Through the Department of Transitional Assistance, the Commonwealth-funds three major programs of public assistance for eligible state residents: transitional aid to families with dependent children (TAFDC); emergency aid to the elderly, disabled and children (EAEDC); and the state supplemental benefits for residents enrolled in the federal supplemental security income (SSI) program. In addition, the Department is responsible for administering the entirely federally funded Supplemental Nutrition Assistance Program (SNAP, formerly food stamps), which provides food assistance to low-income families and

individuals. Lastly, beginning in fiscal 2008, the Department established a new supplemental nutritional program, which provides small supplemental benefits to certain working families currently enrolled in the SNAP program.

See the March Information Statement under the heading “COMMONWEALTH REVENUES AND EXPENDITURES – Other Health and Human Services; *Office of Children, Youth, and Family Services.*”

LONG-TERM LIABILITIES

Debt Service Requirements

The following table sets forth, as of March 31, 2011, the annual fiscal year debt service requirements on outstanding Commonwealth general obligation bonds, special obligation bonds and federal grant anticipation notes. For variable-rate bonds with respect to which the Commonwealth is a fixed-rate payor under an associated interest rate swap agreement, the debt service schedule assumes payment of the fixed rate due under such agreement. For other variable-rate bonds, the schedule assumes a 5% interest rate.

See the March Information Statement under the heading “LONG-TERM LIABILITIES–Debt Service Requirements.”

Debt Service Requirements on Commonwealth Bonds as of March 31, 2011 through Maturity (in thousands) (1)

<u>General Obligation Bonds</u>							<u>Federal Highway Grant Anticipation Notes</u>				
<u>Period</u> <u>Ending</u>	<u>Principal</u>	<u>Compounded</u> <u>Interest</u>	<u>Gross</u> <u>Interest</u>	<u>Build</u> <u>America</u> <u>Bonds</u> <u>Subsidies</u>	<u>Net</u> <u>Interest</u>	<u>Debt</u> <u>Service</u>	<u>Principal</u>	<u>Gross</u> <u>Interest</u>	<u>Build America</u> <u>Bonds</u> <u>Subsidies</u>	<u>Net</u> <u>Interest</u>	<u>Debt</u> <u>Service</u>
6/30/2011	46,685		160,684	(6,380)	154,304	200,989	\$45,065	\$ 16,885	\$ (714)	\$16,171	\$61,236
6/30/2012	1,168,978	\$8,266	829,738	(36,557)	793,181	1,970,425	156,405	32,257	(1,494)	30,763	187,168
6/30/2013	1,266,929	9,413	778,651	(36,557)	742,094	2,018,436	161,285	26,876	(1,494)	25,382	186,667
6/30/2014	1,179,167	7,735	728,413	(36,557)	691,856	1,878,758	170,710	17,451	(1,494)	15,957	186,668
6/30/2015	1,074,808	7,686	678,982	(36,557)	642,425	1,724,919	178,390	9,773	(1,494)	8,279	186,669
6/30/2016	1,079,015	6,652	631,123	(36,557)	594,566	1,680,232	11,390	4,098	(1,434)	2,664	14,054
6/30/2017	868,733	4,877	583,939	(36,557)	547,382	1,420,992	11,635	3,720	(1,302)	2,418	14,053
6/30/2018	776,326	3,868	544,031	(36,557)	507,473	1,287,667	11,925	3,277	(1,147)	2,130	14,055
6/30/2019	782,035	3,310	505,172	(36,557)	468,615	1,253,961	12,245	2,780	(973)	1,807	14,052
6/30/2020	840,127	2,594	466,624	(36,300)	430,324	1,273,046	12,600	2,235	(782)	1,453	14,053
6/30/2021	1,102,433	2,194	418,840	(35,014)	383,826	1,488,453	12,985	1,648	(577)	1,071	14,056
6/30/2022	970,939	1,968	369,377	(32,698)	336,679	1,309,586	13,390	1,020	(357)	663	14,053
6/30/2023	718,804	1,782	327,142	(31,412)	295,730	1,016,317	13,830	348	(122)	226	14,056
6/30/2024	669,362	1,446	292,786	(31,295)	261,491	932,300					
6/30/2025	619,429	1,246	261,661	(31,295)	230,366	851,041					
6/30/2026	548,843	1,121	233,052	(30,776)	202,276	752,240					
6/30/2027	490,228	1,067	207,845	(30,203)	177,642	668,938					
6/30/2028	445,558	1,116	186,009	(28,953)	157,056	603,729					
6/30/2029	595,408	522	161,809	(26,687)	135,122	731,052					
6/30/2030	604,494	288	131,111	(22,892)	108,219	713,002					
6/30/2031	517,190	106	97,983	(16,808)	81,175	598,471					
6/30/2032	258,715		82,021	(14,776)	67,245	325,960					
6/30/2033	187,300		69,908	(12,440)	57,468	244,768					
6/30/2034	188,585		60,460	(11,068)	49,392	237,977					
6/30/2035	196,755		50,745	(9,647)	41,098	237,853					
6/30/2036	205,130		40,643	(8,177)	32,466	237,596					
6/30/2037	214,730		30,106	(6,654)	23,452	238,182					
6/30/2038	194,135		19,102	(5,077)	14,025	208,160					
6/30/2039	123,805		10,940	(3,445)	7,495	131,300					
6/30/2040	91,905		4,596	(1,609)	2,988	94,893					
TOTAL	\$18,026,552	\$67,258	\$8,963,495	(\$726,063)	\$8,237,432	\$26,331,243	\$811,855	\$122,368	(\$13,383)	\$108,983	\$920,839

<u>Special Obligation Revenue Bonds (Gas Tax)</u>				<u>Special Obligation Revenue Bonds (Convention Center)</u>			<u>Special Obligation Revenue Bonds (Accelerated Bridge Program)</u>				
Period Ending	Principal	Interest	Debt Service	Principal	Interest	Debt Service	Principal	Gross Interest	America Bonds Subsidies	Net Interest	Debt Service
6/30/2011	\$ 37,240	\$ 10,846	\$ 48,086		\$17,243	\$17,243		\$14,318	\$(5,405)	\$8,913	\$8,913
6/30/2012	39,135	19,804	58,939		34,486	34,486		32,623	(12,314)	20,309	20,309
6/30/2013	41,150	17,772	58,922		34,486	34,486		32,623	(12,314)	20,309	20,309
6/30/2014	37,170	15,534	52,704		34,486	34,486		32,623	(12,314)	20,309	20,309
6/30/2015	39,070	13,631	52,701	\$19,995	34,486	54,481		32,623	(12,314)	20,309	20,309
6/30/2016	39,900	11,482	51,382	21,075	33,436	54,511		32,623	(12,314)	20,309	20,309
6/30/2017	42,465	9,287	51,752	22,210	32,330	54,540		32,623	(12,314)	20,309	20,309
6/30/2018	23,040	7,261	30,301	23,310	31,164	54,474		32,623	(12,314)	20,309	20,309
6/30/2019	24,300	5,994	30,294	24,475	30,126	54,601		32,623	(12,314)	20,309	20,309
6/30/2020	25,640	4,658	30,298	23,380	28,842	52,222		32,623	(12,314)	20,309	20,309
6/30/2021	26,905	3,392	30,297	24,610	27,673	52,283		32,623	(12,314)	20,309	20,309
6/30/2022	28,385	1,912	30,297	25,970	26,380	52,350		32,623	(12,314)	20,309	20,309
6/30/2023	<u>9,520</u>	<u>476</u>	<u>9,996</u>	27,440	24,952	52,392		32,623	(12,314)	20,309	20,309
6/30/2024				28,990	23,443	52,433	\$21,325	32,623	(12,314)	20,309	41,634
6/30/2025				30,625	21,848	52,473	22,395	31,546	(11,937)	19,609	42,004
6/30/2026				32,360	20,164	52,524	23,550	30,381	(11,529)	18,851	42,401
6/30/2027				34,190	18,384	52,574	24,860	29,054	(11,065)	17,989	42,849
6/30/2028				36,125	16,504	52,629	26,245	27,655	(10,575)	17,079	43,324
6/30/2029				38,170	14,517	52,687	27,710	26,177	(10,058)	16,119	43,829
6/30/2030				40,330	12,418	52,748	29,250	24,616	(9,512)	15,105	44,355
6/30/2031				42,610	10,199	52,809	30,880	22,969	(8,935)	14,034	44,914
6/30/2032				45,020	7,856	52,876	32,635	21,200	(8,316)	12,884	45,519
6/30/2033				47,565	5,380	52,945	34,485	19,329	(7,661)	11,668	46,153
6/30/2034				<u>50,250</u>	<u>2,764</u>	<u>53,014</u>	36,440	17,353	(6,970)	10,383	46,823
6/30/2035							38,505	15,265	(6,239)	9,026	47,531
6/30/2036							40,685	13,058	(5,466)	7,591	48,276
6/30/2037							42,995	10,726	(4,650)	6,076	49,071
6/30/2038							45,430	8,262	(3,718)	4,544	49,974
6/30/2039							48,005	5,659	(2,546)	3,112	51,117
6/30/2040							<u>50,730</u>	<u>2,907</u>	<u>(1,308)</u>	<u>1,599</u>	<u>52,329</u>
TOTAL	\$413,920	\$122,049	\$535,969	\$638,700	\$543,567	\$1,182,267	\$576,125	\$744,574	(\$285,976)	\$458,600	\$1,034,725

SOURCE: Office of the Comptroller.
(1) Totals may not add due to rounding.

LEGAL MATTERS

Matters described in the March Information Statement under the heading “LEGAL MATTERS” are updated as follows:

Programs and Services

Finch, et al. v. Health Insurance Connector Authority, et al. On May 6, 2011, the Supreme Judicial Court issued a decision in which it held that the Massachusetts statute limiting many aliens’ eligibility for Commonwealth Care constitutes a suspect classification that is subject to strict scrutiny under the Massachusetts Constitution. The Court did not reach the question whether this restriction on Commonwealth Care eligibility would satisfy strict scrutiny, but remanded the matter to the Supreme Judicial Court single justice session for further proceedings.

It is possible that the Supreme Judicial Court’s decision will have implications for other public benefit programs.

See the March Information Statement “LEGAL MATTERS – Programs and Services; *Finch, et al. v. Health Insurance Connector Authority, et al.*”

Other

Local 589, Amalgamated Transit Union, et al. v. Commonwealth of Massachusetts, et al., Suffolk Superior Court. On April 15, 2011 the Superior Court granted summary judgment for the Defendants.

See the March Information Statement “LEGAL MATTERS – Other; *Local 589 Amalgamated Transit Union, et al. v. Commonwealth of Massachusetts, et al.*”

MISCELLANEOUS

Any provisions of the constitution of the Commonwealth, of general and special laws and of other documents set forth or referred to in the March Information Statement and this Supplement are only summarized, and such summaries do not purport to be complete statements of any of such provisions. Only the actual text of such provisions can be relied upon for completeness and accuracy.

The March Information Statement and this Supplement contain certain forward-looking statements that are subject to a variety of risks and uncertainties that could cause actual results to differ from the projected results, including without limitation general economic and business conditions, conditions in the financial markets, the financial condition of the Commonwealth and various state agencies and authorities, receipt of federal grants, litigation, arbitration, force majeure events and various other factors that are beyond the control of the Commonwealth and its various agencies and authorities. Because of the inability to predict all factors that may affect future decisions, actions, events or financial circumstances, what actually happens may be different from what is set forth in such forward-looking statements. Forward-looking statements are indicated by use of such words as “may,” “will,” “should,” “intends,” “expects,” “believes,” “anticipates,” “estimates” and others.

All estimates and assumptions in the March Information Statement and this Supplement have been made on the best information available and are believed to be reliable, but no representations whatsoever are made that such estimates and assumptions are correct. So far as any statements in the March Information Statement and this Supplement involve any matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact. The various tables may not add due to rounding of figures.

Neither the Commonwealth’s independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor

have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

The information, estimates and assumptions and expressions of opinion in the March Information Statement and this Supplement are subject to change without notice. Neither the delivery of this Supplement nor any sale made pursuant to any official statement of which the March Information Statement and this Supplement are a part shall, under any circumstances, create any implication that there has been no change in the affairs of the Commonwealth or its agencies, authorities or political subdivisions since the date of this Supplement, except as expressly stated.

CONTINUING DISCLOSURE

The Commonwealth prepares its Statutory Basis Financial Report and its Comprehensive Annual Financial Report with respect to each fiscal year ending June 30. The Statutory Basis Financial Report becomes available by October 31 of the following fiscal year and the Comprehensive Annual Financial Report becomes available in January of the following fiscal year. Copies of such reports and other financial reports of the Comptroller referenced in this document may be obtained by requesting the same in writing from the Office of the Comptroller, One Ashburton Place, Room 909, Boston, Massachusetts 02108. The financial statements are also available at the Comptroller's web site located at <http://www.mass.gov/osc> by clicking on "Financial Reports/Audits."

On behalf of the Commonwealth, the State Treasurer will provide to the Municipal Securities Rulemaking Board (MSRB), no later than 270 days after the end of each fiscal year of the Commonwealth, certain financial information and operating data relating to such fiscal year, as provided in Rule 15c2-12 of the federal Securities and Exchange Commission, together with audited financial statements of the Commonwealth for such fiscal year. To date, the Commonwealth has complied with all of its continuing disclosure undertakings relating to the general obligation debt of the Commonwealth and has not failed in the last seven years to comply with its continuing disclosure undertakings with respect to its special obligation debt and federal grant anticipation notes. However, the annual filings relating to the fiscal year ended June 30, 2001 for the Commonwealth's special obligation debt and for the Commonwealth's federal highway grant anticipation notes were filed two days late, on March 29, 2002. Proper notice of the late filings was provided on March 29, 2002 to the MSRB.

The Department of the State Auditor audits all agencies, departments and authorities of the Commonwealth at least every two years. Copies of audit reports may be obtained from the State Auditor, State House, Room 229, Boston, Massachusetts 02133.

AVAILABILITY OF OTHER FINANCIAL INFORMATION

Questions regarding the March Information Statement or this Supplement or requests for additional information concerning the Commonwealth should be directed to Colin MacNaught, Assistant Treasurer for Debt Management, Office of the Treasurer and Receiver-General, One Ashburton Place, 12th floor, Boston, Massachusetts 02108, telephone (617) 367-3900, or to Karol Ostberg, Director of Capital Finance, Executive Office for Administration and Finance, State House, Room 373, Boston, Massachusetts 02133, telephone (617) 727-2040. Questions regarding legal matters relating to the March Information Statement or this Supplement should be directed to John R. Regier, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, telephone (617) 348-1720.

THE COMMONWEALTH OF MASSACHUSETTS

By /s/ Steven Grossman
Steven Grossman
Treasurer and Receiver-General

By /s/ Jay Gonzalez
Jay Gonzalez
Secretary of Administration and Finance

May 6, 2011

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon delivery of the Bonds described below, Bond Counsel proposes to deliver an opinion in substantially the following form:



Date of Delivery

The Honorable Steven Grossman
Treasurer and Receiver-General
The Commonwealth of Massachusetts
State House - Room 227
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts
General Obligation Bonds, Consolidated Loan of 2011, Series B and
General Obligation Bonds, Consolidated Loan of 2011, Series C (Build Mass. Bonds)

Ladies and Gentlemen:

We have acted as Bond Counsel to The Commonwealth of Massachusetts in connection with the issuance by the Commonwealth of \$490,000,000* aggregate principal amount of General Obligation Bonds, Consolidated Loan of 2011, Series B and Series C (Build Mass. Bonds), dated June __, 2011 (the "Bonds").

We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation. On the basis of the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds are valid general obligations of The Commonwealth of Massachusetts (the "Commonwealth") and the full faith and credit of the Commonwealth are pledged for the payment of the principal of and interest on the Bonds. It should be noted, however, that Chapter 62F of the General Laws of The Commonwealth of Massachusetts establishes a state tax revenue growth limit and does not exclude principal and interest payments on Commonwealth debt obligations from the scope of the limit.
2. Interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. We express no opinion as to other Massachusetts or local tax consequences arising with respect to the Bonds nor as to the taxability of the Bonds or the income therefrom under the laws of any state other than Massachusetts.
3. The Internal Revenue Code of 1986 (the "Code") sets forth certain requirements which must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for Federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for Federal income tax purposes

* Preliminary, subject to change.

Hon. Steven Grossman
Treasurer and Receiver-General
The Commonwealth of Massachusetts
[Date of Delivery]
Page 2

retroactive to the date of issue of the Bonds. The Commonwealth has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from gross income for Federal income tax purposes pursuant to Section 103 of the Code. In addition, the Commonwealth has made certain representations and certifications relating to the exclusion from gross income for federal income tax purposes of interest on the Bonds. We have not independently verified the accuracy of those certifications and representations.

Under existing law, assuming compliance with the tax covenants described herein and the accuracy of the aforementioned representations and certifications, interest on the Bonds is excluded from gross income for Federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Interest on the Bonds is, however, included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax imposed on such corporations.

Bond Counsel is further of the opinion that the difference between the principal amount of the Bonds maturing 20__ through 20__, inclusive and on 20__ (collectively the "Discount Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity was sold constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment.

Except as stated in the preceding four paragraphs, we express no opinion as to any other Federal, state or local tax consequences of the ownership or disposition of the Bonds. Furthermore, we express no opinion as to any Federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

The Commonwealth of Massachusetts

\$ _____
 General Obligation Bonds
 Consolidated Loan of 2011, Series B

and

\$ _____
 General Obligation Bonds
 Consolidated Loan of 2011, Series C (Build Mass. Bonds)

Continuing Disclosure Undertaking
 [to be included in bond form]

On behalf of the Commonwealth, the Treasurer and Receiver-General of the Commonwealth hereby undertakes for the benefit of the owners of the Bonds to provide the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system pursuant to the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), no later than 270 days after the end of each fiscal year of the Commonwealth, commencing with the fiscal year ending June 30, 2011, (i) the annual financial information described below relating to such fiscal year, together with audited financial statements of the Commonwealth for such fiscal year if audited financial statements are then available; provided, however, that if audited financial statements of the Commonwealth are not then available, such audited financial statements shall be delivered to EMMA when they become available (but in no event later than 350 days after the end of such fiscal year) or (ii) notice of the Commonwealth's failure, if any, to provide any such information. The annual financial information to be provided as aforesaid shall include financial information and operating data, in each case updated through the last day of such fiscal year unless otherwise noted, relating to the following information contained in the Commonwealth's Information Statement dated March 15, 2011 (the "Information Statement"), as it appears as Appendix A in the Official Statement dated March 23, 2011 of the Commonwealth with respect to its \$80,005,000 General Obligation Refunding Bonds, 2011 Series B and its \$360,000,000 General Obligation Bonds, Consolidated Loan of 2011, Series A, which Official Statement has been filed with EMMA, and substantially in the same level of detail as is found in the referenced section of the Information Statement:

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
1. Summary presentation on statutory accounting and five-year comparative basis of selected budgeted operating funds operations, revenues and expenditures, concluding with prior fiscal year, plus estimates for current fiscal year	"COMMONWEALTH BUDGET AND FINANCIAL MANAGEMENT CONTROLS – Statutory Basis Distribution of Budgetary Revenues and Expenditures"
2. Summary presentation on GAAP and five-year comparative basis of governmental funds operations, concluding with prior fiscal year	"SELECTED FINANCIAL DATA – GAAP Basis"
3. Summary presentation on a five-year comparative basis of lottery revenues and profits	"COMMONWEALTH REVENUES AND EXPENDITURES – Federal and Other Non-Tax Revenues; <i>Lottery Revenues</i> "
4. Summary presentation of payments received pursuant to the tobacco master settlement agreement	"COMMONWEALTH REVENUES AND EXPENDITURES – Federal and Other Non-Tax Revenues; <i>Tobacco Settlement</i> "

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
5. So long as Commonwealth statutes impose limits on tax revenues, information as to compliance therewith in the prior fiscal year	"COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues"
6. Summary description of the retirement systems for which the Commonwealth is responsible, including membership and contribution rates.	"PENSION AND OPEB FUNDING – Retirement Systems" and "PENSION AND OPEB FUNDING – Employee Contributions."
7. Summary presentation of the then-current, statutorily imposed funding schedule for future Commonwealth pension liabilities, if any	"PENSION AND OPEB FUNDING – Funding Schedule."
8. Summary presentation on a five-year comparative basis of actuarial valuations of pension fund assets, liabilities and funding progress.	"PENSION AND OPEB FUNDING – Actuarial Valuations."
9. Summary presentation on a five-year comparative basis of annual required pension contributions under GAAP and pension contributions made.	"PENSION AND OPEB FUNDING – Annual Required Contributions."
10. Summary presentation on a five-year comparative basis of PRIT Fund asset allocation and investment returns.	"PENSION AND OPEB FUNDING – PRIT Fund Investments."
11. Summary presentation of actuarial valuations of OPEB assets, liabilities and funding progress.	"PENSION AND OPEB FUNDING – Other Post-Retirement Employee Benefit Obligations (OPEB)."
12. If and to the extent otherwise updated in the prior fiscal year, summary presentation of the size of the state workforce	"STATE WORKFORCE"
13. Five-year summary presentation of actual capital project expenditures	"COMMONWEALTH CAPITAL INVESTMENT PLAN"
14. Statement of general and special obligation long-term debt issuance and repayment analysis on a five-year comparative basis through the end of the prior fiscal year	"LONG-TERM LIABILITIES – General and Special Obligation Long-Term Debt Issuance and Repayment Analysis"
15. Statement of outstanding Commonwealth debt on a five-year comparative basis through the end of the prior fiscal year	"LONG-TERM LIABILITIES – Outstanding Long Term Commonwealth Debt"
16. Annual fiscal year debt service requirements for Commonwealth general obligation and special obligation bonds, beginning with the current fiscal year	"LONG-TERM LIABILITIES – Debt Service Requirements"

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
17. Annual fiscal year contract assistance requirements for Commonwealth general obligation contract assistance, beginning with the current fiscal year	"LONG-TERM LIABILITIES – General Obligation Contract Assistance Liabilities"
18. Annual fiscal year budgetary contractual assistance liabilities for Commonwealth, beginning with the current fiscal year	"LONG-TERM LIABILITIES – Budgetary Contract Assistance Liabilities"
19. Five-year summary presentation of authorized but unissued general obligation debt	"LONG-TERM LIABILITIES – Authorized But Unissued Debt"
20. So long as Commonwealth statutes impose a limit on the amount of outstanding "direct" bonds, information as to compliance therewith as of the end of the prior fiscal year	"LONG-TERM LIABILITIES – General Authority to Borrow; <i>Statutory Limit on Direct Debt</i> "
21. Summary presentation of the then-current, Commonwealth interest rate swap agreements	"LONG-TERM LIABILITIES – Interest Rate Swaps"
22. Summary presentation of the then-current, Commonwealth liquidity facilities	"LONG-TERM LIABILITIES – Liquidity Facilities"

Any or all of the items listed above may be included by reference to other documents, including official statements pertaining to debt issued by the Commonwealth, which have been submitted to EMMA. The Commonwealth's annual financial statements for each fiscal year shall consist of (i) combined financial statements prepared in accordance with a basis of accounting that demonstrates compliance with the Massachusetts General Laws and other applicable state finance laws, if any, in effect from time to time and (ii) general purpose financial statements prepared in accordance with generally accepted accounting principles in effect from time to time and shall be audited by a firm of certified public accountants appointed by the Commonwealth.

On behalf of the Commonwealth, the Treasurer and Receiver-General of the Commonwealth hereby further undertakes for the benefit of the owners of the Bonds to provide in a timely manner, not in excess of ten business days after occurrence of the event, to EMMA notice of any of the following events with respect to the Bonds (numbered in accordance with the provisions of the Rule):

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;^{1/}
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or

^{1/}Not applicable to the Bonds, since there is no debt service reserve fund securing the Bonds.

determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

- (vii) modifications to the rights of security holders, if material;
- (viii) bond calls, if material;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Bonds, if material;^{2/}
- (xi) rating changes;
- (xii) tender offers;
- (xiii) bankruptcy, insolvency, receivership or similar event of the Commonwealth;^{3/}
- (xiv) the consummation of a merger, consolidation, or acquisition or the sale of all or substantially all of the assets of the Commonwealth, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xv) appointment of a successor or additional trustee or the change of name of a trustee, if material.^{4/}

Nothing herein shall preclude the Commonwealth from disseminating any information in addition to that required hereunder. If the Commonwealth disseminates any such additional information, nothing herein shall obligate the Commonwealth to update such information or include it in any future materials disseminated.

To the extent permitted by law, the foregoing provisions of this Bond related to the above-described undertakings to provide information shall be enforceable against the Commonwealth in accordance with the terms thereof by any owner of a Bond, including any beneficial owner acting as a third-party beneficiary (upon proof of its status as a beneficial owner reasonably satisfactory to the Treasurer and Receiver-General). To the extent permitted by law, any such owner shall have the right, for the equal benefit and protection of all owners of Bonds, by mandamus or other suit or proceeding at law or in equity, to enforce its rights against the Commonwealth and to compel the Commonwealth and any of its officers, agents or employees to perform and carry out their duties under the foregoing provisions as aforesaid, provided; however, that the sole remedy in connection with such undertakings shall be limited to an action to compel specific performance of the obligations of the Commonwealth in connection with such undertakings and shall not include any rights to monetary damages. The Commonwealth's obligations in respect of such undertakings shall terminate if no Bonds remain outstanding (without regard to an economic defeasance) or if the provisions of the Rule concerning continuing disclosure are no longer effective, whichever occurs first. The provisions of this Bond relating to such undertakings may be amended by the Treasurer and Receiver-General of the Commonwealth, without the consent of, or notice to, any owners of the Bonds, (a) to comply with or conform to the provisions of the Rule or any amendments thereto or authoritative interpretations thereof by the Securities and Exchange Commission or its staff (whether required or optional), (b) to add a dissemination agent for the information

^{2/}Not applicable to the Bonds, since there is no property securing repayment of the Bonds that could be released, substituted or sold.

^{3/} As noted in the Rule, this event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for the Commonwealth in a proceeding under the U.S. Bankruptcy Code or in any proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Commonwealth, or if such jurisdiction has been assumed by leaving the existing governing body and officials in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Commonwealth.

^{4/} Not applicable to the Bonds.

required to be provided by such undertakings and to make any necessary or desirable provisions with respect thereto, (c) to add to the covenants of the Commonwealth for the benefit of the owners of Bonds, (d) to modify the contents, presentation and format of the annual financial information from time to time as a result of a change in circumstances that arises from a change in legal requirements, or (e) to otherwise modify the undertakings in a manner consistent with the provisions of state legislation establishing a state information depository or otherwise responding to the requirements of the Rule concerning continuing disclosure; provided, however, that in the case of any amendment pursuant to clause (d) or (e), (i) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances, and (ii) the amendment does not materially impair the interests of the owners of the Bonds, as determined either by a party unaffiliated with the Commonwealth (such as Commonwealth disclosure counsel or Commonwealth bond counsel) or by the vote or consent of owners of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment.

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NEW MONEY ISSUE - BOOK-ENTRY-ONLY

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by The Commonwealth of Massachusetts described herein, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Bond Counsel is further of the opinion that, under existing law, interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of or the accrual or receipt of interest on, the Bonds. See "TAX EXEMPTION" herein.

THE COMMONWEALTH OF MASSACHUSETTS



\$469,635,000

**General Obligation Bonds
Consolidated Loan of 2011**

**\$462,840,000
Series B**

**\$6,795,000
Series C (BuildMassBonds)**

Dated: Date of Delivery

Due: As shown on the inside cover hereof

The Bonds will be issued by means of a book-entry-only system evidencing ownership and transfer of the Bonds on the records of The Depository Trust Company, New York, New York ("DTC"), and its participants. Details of payment of the Bonds are more fully described in this Official Statement. The Series B Bonds will bear interest from their date of delivery and interest will be payable on February 1, 2012 and semiannually thereafter on August 1 and February 1 and at maturity, calculated on the basis of a 360-day year of twelve 30-day months. The Series C Bonds will not pay current interest. The Series B Bonds are subject to redemption prior to maturity as more fully described herein. The Series C Bonds are not subject to redemption prior to maturity.

The Bonds will constitute general obligations of The Commonwealth of Massachusetts (the "Commonwealth"), and the full faith and credit of the Commonwealth will be pledged to the payment of the principal of and interest on the Bonds. However, for information regarding certain statutory limits on state tax revenue growth and on expenditures for debt service, see "SECURITY FOR THE BONDS" (herein) and the Commonwealth Information Statement (described herein) under the headings "COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues" and "LONG-TERM LIABILITIES – General Authority to Borrow; *Limit on Debt Service Appropriations.*"

The Bonds are offered when, as and if issued and received by the Underwriters, and subject to the unqualified approving opinion as to legality of Nixon Peabody LLP, Boston, Massachusetts, Bond Counsel. Certain legal matters will be passed upon for the Commonwealth by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, McCarter & English, LLP, Boston, Massachusetts. The Bonds are expected to be available for delivery at DTC in New York, New York, on or about June 1, 2011.

J.P. Morgan

**BofA Merrill Lynch
Fidelity Capital Markets
Ramirez & Co., Inc.**

**Barclays Capital
Jefferies & Company**

**Citi
Morgan Stanley
Siebert Brandford Shank & Co., LLC**

**BB&T Capital Markets
Edward Jones
KeyBanc Capital Markets
M.R. Beal & Company
Prager, Sealy & Co., LLC
Roosevelt & Cross, Inc.**

**Cabrera Capital Markets, LLC
Jackson Securities
Loop Capital Markets, LLC
Oppenheimer & Co. Inc.
RBC Capital Markets**

**Eastern Bank
Janney Montgomery Scott
Morgan Keegan
Piper Jaffray & Co.
Raymond James & Associates, Inc.
Stone & Youngberg**

THE COMMONWEALTH OF MASSACHUSETTS

\$469,635,000

General Obligation Bonds

Consolidated Loan of 2011

\$462,840,000 Series B

Dated: Date of Delivery

Due: August 1, as shown below

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP Number*</u>	<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP Number*</u>
2012	\$50,970,000	3.000%	0.24%	57582PYH7	2019	\$5,945,000	4.000%	2.48%	57582PZD5
2013	3,375,000	2.000	0.52	57582PYJ3	2019	21,520,000	5.000	2.48	57582PZM5
2013	2,550,000	3.000	0.52	57582PYX2	2020	3,050,000	3.000	2.73	57582PYR5
2013	49,410,000	4.000	0.52	57582PZF0	2020	3,885,000	4.000	2.73	57582PZE3
2014	4,395,000	2.000	0.94	57582PYK0	2020	23,065,000	5.000	2.73	57582PZN3
2014	975,000	3.000	0.94	57582PYY0	2021	6,695,000	3.000	2.97 ^C	57582PYS3
2014	23,250,000	5.000	0.94	57582PZG8	2021	2,015,000	3.500	2.97 ^C	57582PZP8
2015	4,300,000	2.000	1.27	57582PYL8	2021	16,290,000	5.000	2.97 ^C	57582PZU7
2015	3,425,000	3.000	1.27	57582PYZ7	2022	10,075,000	3.000	3.15	57582PYT1
2015	34,275,000	5.000	1.27	57582PZH6	2022	625,000	3.500	3.15 ^C	57582PZQ6
2016	4,920,000	2.000	1.46	57582PYM6	2022	14,300,000	5.000	3.15 ^C	57582PZV5
2016	1,620,000	3.000	1.46	57582PZA1	2023	7,265,000	3.250	3.32	57582PYU8
2016	14,725,000	5.000	1.46	57582PZJ2	2023	530,000	4.000	3.29 ^C	57582PZR4
2017	4,410,000	3.000	1.85	57582PYN4	2023	17,205,000	5.000	3.29 ^C	57582PZW3
2017	5,395,000	4.000	1.85	57582PZB9	2024	5,860,000	3.375	3.50	57582PYV6
2017	43,195,000	5.000	1.85	57582PZK9	2024	1,055,000	4.000	3.47 ^C	57582PZS2
2018	5,455,000	3.000	2.20	57582PYP9	2024	5,085,000	5.000	3.44 ^C	57582PZX1
2018	3,790,000	4.000	2.20	57582PZC7	2025	6,580,000	3.500	3.66	57582PYW4
2018	22,155,000	5.000	2.20	57582PZL7	2025	885,000	4.000	3.63 ^C	57582PZT0
2019	2,535,000	3.000	2.48	57582PYQ7	2025	25,785,000	5.000	3.59 ^C	57582PZY9

\$6,795,000 Series C (BuildMassBonds)

Dated: Date of Delivery

Due: February 1, as shown below

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP Number*</u>
2014	\$6,795,000	0.00%	0.94%	57582PZZ6

C Priced at the stated yield to the August 1, 2020 optional redemption date at a redemption price of 100%. See "The Bonds – Redemption" herein.

* Copyright, American Bankers Association. CUSIP data herein are provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP numbers listed above are being provided solely for the convenience of Bondowners only at the time of issuance of the Bonds and the Commonwealth does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

No dealer, broker, salesperson or other person has been authorized by The Commonwealth of Massachusetts or the Underwriters to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing. This Official Statement does not constitute an offer to sell or a solicitation of any offer to buy nor shall there be any sale of the Bonds offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein or included by reference herein has been furnished by the Commonwealth and includes information obtained from other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriters or, as to information from other sources, the Commonwealth. The information and expressions of opinion herein or included by reference herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Commonwealth, or its agencies, authorities or political subdivisions, since the date hereof, except as expressly set forth herein.

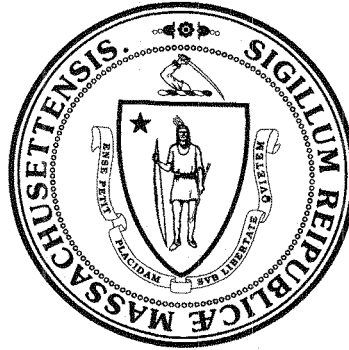
THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT: THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPECTIVE RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

IN CONNECTION WITH THIS OFFERING THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL ON THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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THE COMMONWEALTH OF MASSACHUSETTS



CONSTITUTIONAL OFFICERS

Deval L. Patrick.....Governor
Timothy P. Murray..... Lieutenant Governor
William F. Galvin..... Secretary of the Commonwealth
Martha Coakley..... Attorney General
Steven Grossman..... Treasurer and Receiver-General
Suzanne M. Bump..... Auditor

LEGISLATIVE OFFICERS

Therese Murray.....President of the Senate
Robert A. DeLeo.....Speaker of the House

OFFICIAL STATEMENT
THE COMMONWEALTH OF MASSACHUSETTS

\$469,635,000
General Obligation Bonds
Consolidated Loan of 2011
\$462,840,000 Series B
\$6,795,000 Series C (BuildMassBonds)

INTRODUCTION

This Official Statement (including the cover page and Appendices A through C attached hereto) provides certain information in connection with the issuance by The Commonwealth of Massachusetts (the “Commonwealth”) of its \$462,840,000 General Obligation Bonds, Consolidated Loan of 2011, Series B (the “Series B Bonds”) and its \$6,795,000 General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the “Series C Bonds,” and together with the Series B Bonds, the “Bonds”). The Bonds will be general obligations of the Commonwealth, and the full faith and credit of the Commonwealth will be pledged to the payment of the principal of and interest on the Bonds. However, for information regarding certain statutory limits on state tax revenue growth and expenditures for debt service, see “SECURITY FOR THE BONDS” and the Commonwealth Information Statement (described below) under the headings “COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues” and “LONG-TERM LIABILITIES – General Authority to Borrow; *Limit on Debt Service Appropriations.*”

The Bonds are being issued to finance certain authorized capital projects of the Commonwealth. See “THE BONDS – Application of Proceeds of the Bonds.”

Purpose and Content of Official Statement

This Official Statement describes the terms and use of proceeds of, and security for, the Bonds. This introduction is subject in all respects to the additional information contained in this Official Statement, including Appendices A through C. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document.

Specific reference is made to the Commonwealth’s Information Statement dated March 15, 2011 (the “March Information Statement”), as it appears as Appendix A in the Official Statement dated March 23, 2011 of the Commonwealth with respect to its \$80,005,000 General Obligation Refunding Bonds, 2011 Series B and its \$360,000,000 General Obligation Bonds, Consolidated Loan of 2011, Series A (the “March Official Statement”). A copy of the March Official Statement has been filed with the Municipal Securities Rulemaking Board (the “MSRB”) through its Electronic Municipal Market Access (“EMMA”) system. The information contained in the March Information Statement has been supplemented by the Commonwealth’s Information Statement Supplement dated May 6, 2011 (the “May Supplement”), which is attached hereto as Appendix A. The March Information Statement and the May Supplement are referred to herein collectively as the “Information Statement.” Subsequent filings by the Commonwealth to the EMMA system, prior to the sale of the Bonds, of continuing disclosure documents identified as “other financial/operating data” are hereby deemed to be included by reference in the Information Statement. The Information Statement contains certain fiscal, budgetary, financial and other general information concerning the Commonwealth. Exhibit A to the Information Statement contains certain economic information concerning the Commonwealth. Exhibit B to the Information Statement contains the financial statements of the Commonwealth for the fiscal year ended June 30, 2010, prepared on a statutory basis. Exhibit C to the Information Statement contains the financial statements of the Commonwealth for the fiscal year ended June 30, 2010, prepared on a GAAP basis. Specific reference is made to said Exhibits A, B and C, copies of which have been filed with EMMA. The financial statements are also available at the website of the Comptroller of the Commonwealth.

Appendix B attached hereto contains the proposed form of legal opinion of Bond Counsel with respect to the Bonds. Appendix C attached hereto contains the proposed form of the Commonwealth's continuing disclosure undertaking to be included in the form of the Bonds to facilitate compliance by the Underwriters with the requirements of paragraph (b)(5) of Rule 15c2-12 of the Securities and Exchange Commission.

THE BONDS

General

The Series B Bonds will mature on the dates and in the aggregate principal amounts, and shall bear interest at the rates per annum (calculated on the basis of a 360-day year of twelve 30-day months), as set forth on the inside cover page of this Official Statement. The Series C Bonds will mature on the date as set forth on the inside cover page of this Official Statement. The Bonds will be dated their date of delivery and the Series B Bonds will bear interest from such date. Interest on the Series B Bonds will be payable semiannually on February 1 and August 1 of each year, and at maturity, commencing February 1, 2012, until the principal amount is paid. The Series C Bonds will not pay current interest. The Commonwealth will act as its own paying agent with respect to the Bonds. The Commonwealth reserves the right to appoint from time to time a paying agent or agents or bond registrar for the Bonds.

Book-Entry-Only System. The Bonds will be issued by means of a book-entry-only system, with one bond certificate for each maturity of each series bearing a particular interest rate of each series immobilized at The Depository Trust Company, New York, New York ("DTC"). The certificates will not be available for distribution to the public and will evidence ownership of the Series B Bonds in principal amounts of \$5,000 or integral multiples thereof, and the Series C Bonds in principal amounts of \$1,000 or integral multiples thereof. Transfers of ownership will be effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Interest and principal due on the Bonds will be paid in federal funds to DTC or its nominee as registered owner of the Bonds. As long as the book-entry-only system remains in effect, DTC or its nominee will be recognized as the owner of the Bonds for all purposes, including notices and voting. The Commonwealth will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. See "BOOK-ENTRY-ONLY SYSTEM."

Redemption

The Series C Bonds are not subject to redemption prior to maturity.

Optional Redemption – Series B Bonds. The Series B Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

Notice of Redemption. The Commonwealth shall give notice of redemption to the owners of the applicable Series B Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Series B Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Series B Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Series B Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

Selection for Redemption. In the event that less than all of any maturity of any Series B Bonds is to be redeemed, and so long as the book-entry-only system remains in effect for such Series B Bonds, the particular Series B Bonds or portion of any such Series B Bonds of a particular maturity to be redeemed will be selected by DTC by lot. If the book-entry-only system no longer remains in effect for the Series B Bonds, selection for redemption of less than all of any one maturity of the Series B Bonds will be made by the Commonwealth by

lot in such manner as in its discretion it shall deem appropriate and fair. For purposes of selection by lot within a maturity, each \$5,000 of principal amount of a Series B Bond will be considered a separate Series B Bond.

Application of Proceeds of the Bonds

The Bonds are being issued pursuant to the provisions of Section 49 of Chapter 29 of the Massachusetts General Laws and specific bond authorizations enacted by the Legislature. The net proceeds of the sale of the Bonds, including any premium received by the Commonwealth upon original delivery of the Bonds, will be applied by the Treasurer and Receiver-General of the Commonwealth (the “State Treasurer”) to the various purposes for which the issuance of bonds has been authorized pursuant to such special laws, or to reimburse the Commonwealth’s treasury for expenditures previously made pursuant to such laws. Any remaining premium received by the Commonwealth upon original delivery of the Bonds and not applied to the various purposes for which bonds have been authorized will be applied to the costs of issuance thereof.

The purposes for which the Bonds will be issued have been authorized by the Legislature under various bond authorizations. The proceeds will be used to finance or reimburse the Commonwealth for a variety of capital expenditures that are included within the current capital spending plan established by the Executive Office for Administration and Finance. The plan, which is an administrative guideline and is subject to amendment at any time, sets forth capital spending allocations and establishes annual capital spending limits. See the Commonwealth Information Statement under the heading “COMMONWEALTH CAPITAL INVESTMENT PLAN.”

SECURITY FOR THE BONDS

The Bonds will be general obligations of the Commonwealth to which its full faith and credit will be pledged for the payment of principal and interest when due. However, it should be noted that Chapter 62F of the Massachusetts General Laws imposes a state tax revenue growth limit and does not exclude principal and interest payments on Commonwealth debt obligations from the scope of the limit. It should be noted further that Section 60B of Chapter 29 of the Massachusetts General Laws imposes an annual limitation on the percentage of total appropriations that may be expended for payment of interest and principal on general obligation debt of the Commonwealth. These statutes are both subject to amendment or repeal by the Legislature. Currently, both actual tax revenue growth and annual general obligation debt service are below the statutory limits. See the Commonwealth Information Statement under the headings “COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues” and “LONG-TERM LIABILITIES – General Authority to Borrow; *Limit on Debt Service Appropriations*.”

The Commonwealth has waived its sovereign immunity and consented to be sued on contractual obligations, including the Bonds, and all claims with respect thereto. However, the property of the Commonwealth is not subject to attachment or levy to pay a judgment, and the satisfaction of any judgment generally requires a legislative appropriation. Enforcement of a claim for payment of principal of or interest on the Bonds may also be subject to the provisions of federal or state statutes, if any, hereafter enacted extending the time for payment or imposing other constraints upon enforcement, insofar as the same may be constitutionally applied. The United States Bankruptcy Code is not applicable to the Commonwealth. Under Massachusetts law, the Bonds have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code. The Bonds are not subject to acceleration.

LITIGATION

No litigation is pending or, to the knowledge of the Attorney General, threatened against or affecting the Commonwealth seeking to restrain or enjoin the issuance, sale or delivery of the Bonds or in any way contesting or affecting the validity of the Bonds.

There are pending in courts within the Commonwealth various suits in which the Commonwealth is a defendant. In the opinion of the Attorney General, no litigation is pending or, to her knowledge, threatened

which is likely to result, either individually or in the aggregate, in final judgments against the Commonwealth that would affect materially its financial condition. For a description of certain litigation affecting the Commonwealth, see the Commonwealth Information Statement under the heading “LEGAL MATTERS.”

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company, New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity set forth on the inside cover page hereof, each in the aggregate principal amount (initial principal amount in the case of the Series C Bonds) of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Commonwealth as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

THE COMMONWEALTH WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR BY ANY DIRECT OR INDIRECT PARTICIPANT, THE PAYMENT OF OR THE PROVIDING OF NOTICE TO THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OR WITH RESPECT TO ANY OTHER ACTION TAKEN BY DTC AS BOND OWNER.

The principal of and interest and premium, if any, on the Bonds will be paid to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, as registered owner of the Bonds. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Commonwealth, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with municipal securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Commonwealth, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of the principal of and interest and premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Commonwealth, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The Commonwealth cannot give any assurances that Direct Participants or others will distribute payments of principal of and interest on the Bonds paid to DTC or its nominee, as the registered owner, to the Beneficial Owners, or that they will do so on a timely basis or that DTC will serve and act in a manner described in this document.

Beneficial Owners of the Bonds will not receive or have the right to receive physical delivery of such Bonds and will not be or be considered to be the registered owners thereof. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the holders or registered owners of the Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Bonds, except as otherwise expressly provided herein.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Commonwealth. Under such circumstances, in the event that a successor depository is not obtained, Bonds will be delivered and registered as designated by the Beneficial Owners. The

Beneficial Owner, upon registration of Bonds held in the Beneficial Owner's name, will become the Bondowner. Bond certificates are required to be printed and delivered.

The Commonwealth may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In such event, Bond certificates will be printed, delivered and registered as designated by the Beneficial Owners.

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY-ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE COMMONWEALTH BELIEVES TO BE RELIABLE, BUT THE COMMONWEALTH TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

RATINGS

The Bonds have been assigned long-term ratings of "AA+," "Aa1" and "AA" by Fitch Ratings ("Fitch"), Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Ratings Services ("Standard & Poor's"), respectively.

Such ratings reflect only the respective views of such organizations, and an explanation of the significance of such ratings may be obtained from the rating agency furnishing the same. There is no assurance that a rating will continue for any given period of time or that a rating will not be revised or withdrawn entirely by any or all of such rating agencies, if, in its or their judgment, circumstances so warrant. Any downward revision or withdrawal of a rating could have an adverse effect on the market prices of the Bonds.

UNDERWRITING

The Underwriters, represented by J.P. Morgan Securities LLC, have agreed, subject to certain conditions, to purchase all of the Bonds from the Commonwealth at a discount from the initial offering prices of the Bonds equal to approximately 0.432444% of the aggregate principal amount of the Bonds. The Underwriters may offer and sell the Bonds to certain dealers and others (including dealers depositing the Bonds into investment trusts) at prices lower than the public offering prices (or yields higher than the offering yields) stated on the inside cover page hereof. The principal offering prices (or yields) set forth on the inside cover page hereof may be changed from time to time after the initial offering by the Underwriters.

The following language has been provided by the underwriters named therein. The Commonwealth takes no responsibility as to the accuracy or completeness thereof.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of UBS Financial Services Inc. ("UBSFS") and Charles Schwab & Co., Inc. ("CS&Co.") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of UBSFS and CS&Co. will purchase Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that such firm sells.

Morgan Stanley and Citigroup Inc., the respective parent companies of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc., each an underwriter of the Bonds, have entered into a retail brokerage joint venture. As part of the joint venture each of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc. will distribute municipal securities to retail investors through the financial advisor network of a new broker-dealer, Morgan Stanley Smith Barney LLC. This distribution arrangement became effective on June 1, 2009. As part of this arrangement, each of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc. will compensate Morgan Stanley Smith Barney LLC. for its selling efforts in connection with their respective allocations of Bonds.

Piper Jaffray & Co., (“Piper”) has entered into an agreement (the “Piper Distribution Agreement”) with Advisors Asset Management, Inc. (“AAM”) for the distribution of certain municipal securities offerings, including the Bonds, allocated to Piper at the original offering prices. Under the Piper Distribution Agreement, Piper will share with AAM a portion of the fee or commission, exclusive of management fees, paid to Piper.

TAX EXEMPTION

Federal Income Taxes

The Code imposes certain requirements that must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for Federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for Federal income tax purposes retroactive to the date of issue of the Bonds. The Commonwealth has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Commonwealth has made certain representations and certifications relating to the exclusion from gross income for federal income tax purposes of interest on the Bonds. Bond Counsel will not independently verify the accuracy of those representations and certifications.

In the opinion of Nixon Peabody LLP, Bond Counsel, under existing law and assuming compliance with the aforementioned covenant, and the accuracy of certain representations and certifications made by the Commonwealth described above, interest on the Bonds is excluded from gross income for Federal income tax purposes under Section 103 of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Interest on the Bonds is, however, included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax imposed on such corporations.

State Taxes

Bond Counsel is also of the opinion that, under existing law, interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. Bond Counsel has not opined as to other Massachusetts tax consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should be aware, however, that the Bonds are included in the measure of Massachusetts estate and inheritance taxes, and the Bonds and the interest thereon are included in the measure of certain Massachusetts corporate excise and franchise taxes. Bond Counsel expresses no opinion as to the taxability of the Bonds or the income therefrom or any other tax consequences arising with respect to the Bonds under the laws of any state other than Massachusetts.

Original Issue Discount

Bond Counsel is further of the opinion that the difference between the principal amount of the Series B Bonds maturing 2022 with a 3.00% interest coupon, 2023 with a 3.25% interest coupon, 2024 with a 3.375% interest coupon and 2025 with a 3.50% interest coupon and the Series C Bonds (collectively the “Discount Bonds”) and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity was sold constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

Original Issue Premium

The Bonds other than the Discount Bonds (collectively, the “Premium Bonds”) are being offered at prices in excess of their principal amounts. An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser’s yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser’s adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

Ancillary Tax Matters

Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, and individuals seeking to claim the earned income credit. Ownership of the Bonds may also result in other federal tax consequences to taxpayers who may be deemed to have incurred or continued indebtedness to purchase or to carry the Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Commencing with interest paid in 2006, interest paid on tax-exempt obligations such as the Bonds is subject to information reporting to the Internal Revenue Service (the “IRS”) in a manner similar to interest paid on taxable obligations. In addition, interest on the Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner’s taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Bond Counsel is not rendering any opinion as to any Federal tax matters other than those described in the opinion attached as Appendix B. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Bonds for Federal or state income tax purposes, and thus on the value or marketability of the Bonds. This could result from changes to Federal or state income tax rates, changes in the structure of Federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Bonds from gross income for Federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the Federal or state income tax treatment of holders of the Bonds may occur. Prospective purchasers of the Bonds should consult their own tax advisers regarding such matters.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Bonds may affect the tax status of interest on the Bonds. Bond Counsel expresses no opinion as to any Federal, state or local tax law consequences with respect to the Bonds, or the interest thereon,

if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

OPINION OF COUNSEL

The unqualified approving opinions as to the legality of the Bonds will be rendered by Nixon Peabody LLP, of Boston, Massachusetts, Bond Counsel to the Commonwealth. The proposed form of the opinion of Bond Counsel relating to the Bonds are attached hereto as Appendix B. Certain legal matters will also be passed upon by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. of Boston, Massachusetts, as Disclosure Counsel to the Commonwealth. Certain legal matters will be passed upon for the Underwriters by their counsel, McCarter & English, LLP, of Boston, Massachusetts.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with paragraph (b)(5) of Rule 15c2-12, the Commonwealth will undertake in the Bonds to provide annual reports and notices of certain events. A description of this undertaking is set forth in Appendix C attached hereto.

For information concerning the availability of certain other financial information from the Commonwealth, see the Commonwealth Information Statement under the heading "CONTINUING DISCLOSURE."

MISCELLANEOUS

Any provisions of the constitution of the Commonwealth, of all general and special laws and of other documents set forth or referred to in this Official Statement are only summarized, and such summaries do not purport to be complete statements of any of such provisions. Only the actual text of such provisions can be relied upon for completeness and accuracy.

This Official Statement contains certain forward-looking statements that are subject to a variety of risks and uncertainties that could cause actual results to differ from the projected results, including without limitation general economic and business conditions, conditions in the financial markets, the financial condition of the Commonwealth and various state agencies and authorities, receipt of federal grants, litigation, arbitration, force majeure events and various other factors that are beyond the control of the Commonwealth and its various agencies and authorities. Because of the inability to predict all factors that may affect future decisions, actions, events or financial circumstances, what actually happens may be different from what is set forth in such forward-looking statements. Forward-looking statements are indicated by use of such words as "may," "will," "should," "intends," "expects," "believes," "anticipates," "estimates" and others.

All estimates and assumptions in this Official Statement have been made on the best information available and are believed to be reliable, but no representations whatsoever are made that such estimates and assumptions are correct. So far as any statements in this Official Statement involve any matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact. The various tables may not add due to rounding of figures.

The Commonwealth has prepared the prospective financial information set forth in this Official Statement in connection with its budgeting and appropriations processes. This prospective financial information was not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of the Commonwealth, was prepared on a reasonable basis, reflects the best currently available estimates and judgments, and presents, to the best knowledge and belief of the offices of the Commonwealth identified in this Official Statement as the sources of such information, the currently expected course of action and the currently expected future budgeted revenues and expenditures of the Commonwealth. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this Official Statement are cautioned not to place undue reliance on the prospective financial information.

Neither the Commonwealth's independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its

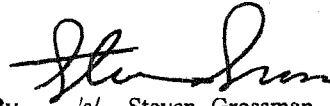
achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

The information, estimates and assumptions and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale made pursuant to this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the Commonwealth or its agencies, authorities or political subdivisions since the date of this Official Statement, except as expressly stated.

AVAILABILITY OF OTHER INFORMATION

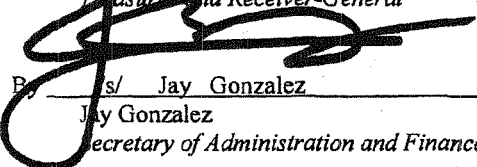
Questions regarding this Official Statement or requests for additional financial information concerning the Commonwealth should be directed to Colin A. MacNaught, Assistant Treasurer, Office of the Treasurer and Receiver-General, One Ashburton Place, 12th floor, Boston, Massachusetts 02108, telephone (617) 367-3900, x. 226, or Karol D. Ostberg, Director of Capital Finance, Executive Office for Administration and Finance, State House, Room 373, Boston, Massachusetts 02133, telephone (617) 727-2040. Questions regarding legal matters relating to this Official Statement and the Bonds should be directed to Peter S. Johnson, Nixon Peabody LLP, 100 Summer Street, Boston, Massachusetts 02110, telephone (617) 345-1021.

THE COMMONWEALTH OF MASSACHUSETTS


By /s/ Steven Grossman

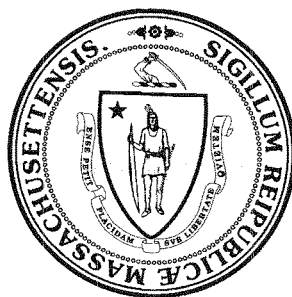
Steven Grossman

Treasurer and Receiver-General


By /s/ Jay Gonzalez
Jay Gonzalez
Secretary of Administration and Finance

May 24, 2011

**THE
COMMONWEALTH
OF
MASSACHUSETTS**



INFORMATION STATEMENT SUPPLEMENT

Dated May 6, 2011

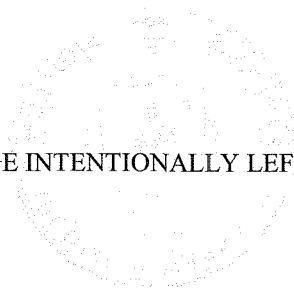
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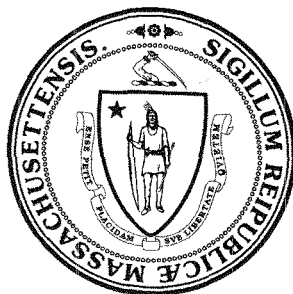
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THE COMMONWEALTH OF MASSACHUSETTS



CONSTITUTIONAL OFFICERS

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Timothy P. MurrayLieutenant Governor
William F. Galvin.....Secretary of the Commonwealth
Martha Coakley.....Attorney General
Steven Grossman.....Treasurer and Receiver-General
Suzanne M. BumpAuditor

LEGISLATIVE OFFICERS

Therese Murray.....President of the Senate
Robert A. DeLeo.....Speaker of the House

THE COMMONWEALTH OF MASSACHUSETTS

INFORMATION STATEMENT SUPPLEMENT

May 6, 2011

This supplement ("Supplement") to the Information Statement of The Commonwealth of Massachusetts (the "Commonwealth") dated March 15, 2011 (the "March Information Statement") is dated May 6, 2011 and contains information which updates the information contained in the March Information Statement. The March Information Statement has been filed with the Municipal Securities Rulemaking Board. This Supplement and the March Information Statement must be read collectively and in their entirety in order to obtain the appropriate fiscal, financial and economic information concerning the Commonwealth through May 6, 2011. All capitalized terms not otherwise defined in this Supplement shall have the meanings ascribed to them in the March Information Statement.

The March Information Statement, as supplemented hereby, includes three exhibits. Exhibit A is the Statement of Economic Information, which sets forth certain economic, demographic and statistical information concerning the Commonwealth. Exhibits B and C are, respectively, the Commonwealth's Statutory Basis Financial Report for the year ended June 30, 2010 and the Commonwealth's Comprehensive Annual Financial Report, reported in accordance with generally accepted accounting principles (GAAP), for the year ended June 30, 2010. The Commonwealth's independent auditor has not been engaged to perform, and has not performed, since the respective dates of its reports included herein, any procedures on the financial statements addressed in such reports, nor has said independent auditor performed any procedures relating to the official statement of which this Supplement is a part. Specific reference is made to said Exhibits A, B and C, copies of which have been filed with the Municipal Securities Rulemaking Board. The financial statements are also available at the web site of the Comptroller of the Commonwealth located at <http://www.mass.gov/osc> by clicking on "Publications and Reports" and then "Financial Reports."

RECENT DEVELOPMENTS

Fiscal 2011

On April 11, 2011 the Governor approved supplemental budget legislation that included approximately \$325 million in supplemental appropriations, including \$199.4 million for additional payments from the Medical Assistance Trust Fund to hospitals (these payments are expected to be entirely supported by offsetting federal revenues in fiscal 2011), \$49.8 million for additional projected snow and ice removal cost, \$32.6 million for a reserve for the Trial Court to support collective bargaining increases for OPEIU Local 6 and \$8 million for projected caseload spending by the Department of Housing and Community Development for Emergency Assistance family homeless shelters.

In addition, the legislation restores the statutorily required deposit into the Stabilization Fund of 0.5% of total tax revenue. This deposit was initially suspended in the fiscal 2011 budget. The value of this deposit is projected to be almost \$100 million and is expected to result in a projected fiscal 2011 ending balance of \$770 million in the Stabilization Fund.

On May 4, 2011, the Governor filed legislation requesting new supplemental appropriations totaling \$60.5 million, including \$42 million for costs associated with providing legal representation to indigent persons in criminal and civil court cases and \$15 million for increased caseloads at the Department of Transitional Assistance (DTA).

See the March Information Statement under the heading "FISCAL 2011 AND FISCAL 2012 – Fiscal 2011."

Fiscal 2012

On April 28, 2011, the House of Representatives approved its version of the fiscal 2012 budget, which is based upon the consensus tax revenue estimate for fiscal 2012 of \$20.525 billion. According to the House Committee on Ways and Means, the House budget provides for \$30.543 billion in spending, which is approximately \$5 million lower than the Governor's fiscal 2012 budget proposal. The House budget, like the Governor's proposal, relies upon a \$200 million withdrawal from the Stabilization Fund. The House budget largely mirrors the Governor's fiscal 2012 budget proposals with respect to local aid, one of the largest outlays in the budget. On April 14, 2011, the Senate adopted a local aid resolution endorsing the same levels of local aid. The Senate is expected to debate and approve its version of the budget in late May. Differences between the House and Senate versions of the fiscal 2012 budget will be reconciled by a legislative conference committee.

See the March Information Statement under the heading "FISCAL 2011 AND FISCAL 2012 –Fiscal 2012 Budget Proposals."

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COMMONWEALTH REVENUES AND EXPENDITURES

Statutory Basis Distribution of Budgetary Revenues and Expenditures

The following table sets forth the Commonwealth's revenues and expenditures for fiscal 2006 through fiscal 2010 and projected revenues and expenditures for fiscal 2011.

Budgeted Operating Funds – Statutory Basis (in millions)(1)

	<u>Fiscal 2006</u>	<u>Fiscal 2007</u>	<u>Fiscal 2008</u>	<u>Fiscal 2009</u>	<u>Fiscal 2010</u>	<u>Projected Fiscal 2011</u>
Beginning Fund Balances						
Reserved or Designated	\$355.6	\$947.2	\$351.3	\$171.5	\$68.9	121.9
Bay State Competitiveness Investment Fund	-	-	100.0	-	-	-
Transitional Escrow Fund	304.8	-	-	-	-	-
Stabilization Fund	1,728.4	2,154.7	2,335.0	2,119.2	841.3	669.8
Undesignated	<u>98.4</u>	<u>106.2</u>	<u>114.7</u>	<u>115.1</u>	<u>106.4</u>	<u>111.3</u>
Total	<u>\$2,487.2</u>	<u>\$3,208.1</u>	<u>\$2,901.0</u>	<u>\$2,405.8</u>	<u>\$1,016.6</u>	<u>\$903.1</u>
Revenues and Other Sources						
Alcoholic Beverages	68.9	71.0	71.2	71.9	71.0	71.9
Banks	349.9	340.9	547.8	242.6	234.9	108.5
Cigarettes	435.3	438.1	436.9	456.8	456.2	453.1
Corporations	1,390.7	1,587.6	1,512.2	1,548.6	1,600.3	1,828.9
Deeds	210.1	194.1	153.9	105.5	137.9	115.7
Income	10,483.4	11,399.6	12,483.8	10,583.7	10,110.3	10,926.6
Inheritance and Estate	196.3	249.6	254.0	259.7	221.4	242.1
Insurance	448.5	418.6	417.7	356.7	330.0	348.2
Motor Fuel	671.8	676.1	672.2	654.0	654.6	665.1
Public Utilities	118.5	178.3	120.2	(1.7)	(0.3)	(10.6)
Room Occupancy	105.8	111.1	119.2	109.5	101.6	112.7
Sales:						
Regular	2,864.7	2,927.7	2,952.2	2,799.7	3,282.8	3,477.7
Meals	584.1	608.7	632.9	629.6	759.6	813.1
Motor Vehicles	<u>555.5</u>	<u>531.1</u>	<u>501.6</u>	<u>439.3</u>	<u>569.3</u>	<u>614.5</u>
Sub-Total-Sales	4,004.3	4,067.5	4,086.7	3,868.6	4,611.7	4,905.3
Miscellaneous	<u>4.0</u>	<u>3.8</u>	<u>3.1</u>	<u>3.3</u>	<u>14.1</u>	<u>16.7</u>
Total Tax Revenues	<u>\$18,487.4</u>	<u>\$19,736.3</u>	<u>\$20,879.2</u>	<u>\$18,259.5</u>	<u>\$18,543.7</u>	<u>\$19,784.0</u>
MBTA Transfer	(712.6)	(734.0)	(756.0)	(767.1)	(767.1)	(767.1)
MSBA Transfer	<u>(488.7)</u>	<u>(557.4)</u>	<u>(634.7)</u>	<u>(702.3)</u>	<u>(605.2)</u>	<u>(654.7)</u>
Total Budgeted Operating Tax Revenues	<u>\$17,286.2</u>	<u>\$18,444.9</u>	<u>\$19,488.5</u>	<u>\$16,790.0</u>	<u>\$17,171.4</u>	<u>\$18,362.2</u>
Federal Reimbursements	5,210.1	6,167.6	6,429.5	8,250.9	8,548.8	9,111.1
Departmental and Other Revenues	2,094.3	2,218.4	2,355.9	2,326.2	2,800.9	2,988.5
Inter-fund Transfers from Non-budgeted Funds and other sources (2)	<u>1,714.9</u>	<u>1,785.0</u>	<u>2,039.3</u>	<u>1,850.3</u>	<u>1,788.8</u>	<u>1,786.6</u>
Budgeted Revenues and Other Sources	<u>\$26,305.5</u>	<u>\$28,615.9</u>	<u>\$30,313.2</u>	<u>\$29,217.4</u>	<u>\$30,310.0</u>	<u>\$32,248.4</u>
Inter-fund Transfers	<u>1,358.1</u>	<u>552.9</u>	<u>2,226.3</u>	<u>1,963.8</u>	<u>770.8</u>	<u>409.7</u>
Total Budgeted Revenues and Other Sources	<u>\$27,663.6</u>	<u>\$29,168.8</u>	<u>\$32,539.5</u>	<u>\$31,181.2</u>	<u>\$31,080.8</u>	<u>\$32,658.1</u>
Expenditures and Uses						
Direct Local Aid	4,430.0	4,805.2	5,040.5	4,723.6	4,837.4	4,794.9
Medicaid (3)	6,852.5	7,550.4	8,246.3	8,679.2	9,287.6	10,238.3
Other Health and Human Services	4,433.6	4,625.3	4,796.5	4,828.3	4,616.6	4,666.6
Group Insurance	963.7	1,022.3	852.5	973.1	1,063.8	1,176.1
Department of Elementary and	408.6	459.0	485.8	495.9	358.1	424.4

	<u>Fiscal 2006</u>	<u>Fiscal 2007</u>	<u>Fiscal 2008</u>	<u>Fiscal 2009</u>	<u>Fiscal 2010</u>	<u>Projected Fiscal 2011</u>
Secondary Education						
Higher Education	987.8	1,115.7	1,084.4	1,035.5	845.6	936.9
Department of Early Education and Care	387.1	507.1	549.9	560.3	513.5	510.3
Public Safety	1,288.0	1,399.2	1,544.4	1,514.3	1,423.2	1,419.6
Energy and Environmental Affairs	202.0	238.5	227.1	215.9	202.2	189.9
Debt Service	1,826.7	2,234.4	1,990.1	2,011.7	1,979.9	2,001.3
Post Employment Benefits (4)	1,274.7	1,335.2	1,398.6	1,314.4	1,748.6	1,838.9
Other Program Expenditures	<u>2,138.7</u>	<u>2,364.9</u>	<u>2,414.1</u>	<u>2,350.9</u>	<u>2,509.0</u>	<u>2,063.6</u>
Total - Programs and Services before transfers to Non-budgeted funds	\$25,193.4	\$27,657.2	\$28,630.2	\$28,703.1	\$29,384.5	\$30,260.8
Inter-fund Transfers to Non-budgeted Funds						
Commonwealth Care Trust Fund	-	722.1	1,045.9	987.6	631.7	722.0
State Retiree Benefit Trust Fund (4)	-	-	\$354.7	\$352.0	-	-
Medical Assistance Trust Fund	70.0	364.0	376.7	374.0	313.3	886.1
Massachusetts Transportation Trust Fund	-	-	-	-	- (5)	195.1
Other	<u>321.2</u>	<u>179.6</u>	<u>400.9</u>	<u>189.9</u>	<u>94.1</u>	<u>175.0</u>
Total Inter-Fund Transfers to Non- Budgeted Funds	\$391.2	\$1,265.7	\$2,178.2	\$1,903.5	\$1,039.1	\$1,978.2
Budgeted Expenditures and Other Uses	<u>\$25,584.6</u>	<u>\$28,922.9</u>	<u>\$30,808.4</u>	<u>\$30,606.6</u>	<u>\$30,423.6</u>	<u>\$32,239.0</u>
Inter-fund Transfers	<u>1,358.1</u>	<u>553.0</u>	<u>2,226.3</u>	<u>1,963.8</u>	<u>770.8</u>	<u>409.7</u>
Total Budgeted Expenditures and Other Uses	\$26,942.7	\$29,475.9	\$33,034.7	\$32,570.4	\$31,194.4	\$32,648.7
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$720.9	(\$307.1)	(\$495.2)	(\$1,389.2)	(\$113.6)	\$9.4
Ending Fund Balances						
Reserved or Designated (6)	947.2	351.3	171.5	68.9	122.0	19.0
Bay State Competitiveness Investment Fund	-	100.0	-	-	-	-
Transitional Escrow Fund	-	-	-	-	-	-
Stabilization Fund	2,154.7	2,335.0	2,119.2	841.3	669.8	769.0
Undesignated	<u>106.2</u>	<u>114.7</u>	<u>115.1</u>	<u>106.4</u>	<u>111.3</u>	<u>122.3</u>
Total	\$3,208.1	\$2,901.0	\$2,405.8	\$1,016.6	\$903.1	\$910.3

SOURCES: Fiscal 2006-2010, Office of the Comptroller; fiscal 2011, Executive Office for Administration and Finance.

- (1) Totals may not add due to rounding.
- (2) Inter-fund Transfers from Non-budgeted Funds and Other Sources include profits from the State Lottery, transfer of tobacco settlement funds to allow their expenditure, abandoned property proceeds as well as other inter-fund transfers.
- (3) Excludes off-budget Medicaid spending in fiscal 2006 and fiscal 2007 estimated at \$292 million and \$290 million, respectively. Fiscal 2006 through fiscal 2009 included program administration.
- (4) Starting in fiscal 2010 Post Employment Benefits include budgeted pension transfers and State Retiree Benefit Trust Fund.
- (5) Transfers of approximately \$133.4 million in fiscal 2010 are included in "Other Program Expenditures" above.
- (6) Consists largely of appropriations from previous years, authorized to be expended in current years.

See the March Information Statement "COMMONWEALTH REVENUES AND EXPENDITURES – Statutory Basis Distribution of Budgetary Revenues and Expenditures."

State Taxes

Income Tax. State tax receipts for the first ten months of fiscal 2011 have been significantly higher than receipts during fiscal 2010. See "Fiscal 2010, Fiscal 2011 and Fiscal 2012 Tax Revenues – *Fiscal 2011*," below. Under current state law, the state income tax rate will be reduced from 5.3% to 5.25% (effective January 1, 2012) if the growth in fiscal 2011 inflation adjusted baseline revenues (as defined in state law) over fiscal 2010 exceeds 2.5%, and if for each consecutive three month period starting in August and ending in November 2011 there is positive inflation-adjusted baseline revenue growth as compared to the same consecutive three month period in calendar 2010. It will not be known if this reduction will be triggered until the Commissioner of Revenue makes a

final determination on December 15, 2011. The Department of Revenue estimates that the revenue impact of this rate reduction for fiscal 2012 would be between \$52 million and \$56 million (with a mid-point of \$54 million). The revenue impact for fiscal 2013 (assuming no further rate reduction in calendar year 2013) would be between \$111 million and \$117 million (mid-point of \$114 million).

See the March Information Statement under the heading “COMMONWEALTH REVENUES AND EXPENDITURES – State Taxes; *Income Tax*.”

Fiscal 2010, Fiscal 2011 and Fiscal 2012 Tax Revenues

Fiscal 2011. Preliminary tax revenues for the first ten months of fiscal 2011, ended April 30, 2011, totaled approximately \$16.860 billion, an increase of approximately \$1.927 billion, or 12.9%, over the same period in fiscal 2010. The following table shows the tax collections for the first ten months of fiscal 2011 and the change from tax collections in the same period in the prior year, both in dollars and as a percentage. The table also notes the amount of tax collections in the same month that are dedicated to the MBTA and the MSBA.

Fiscal 2011 Tax Collections (in millions)(1)

<u>Month</u>	<u>Tax Collections</u>	<u>Change from Prior Year</u>	<u>Percentage Change</u>	<u>MBTA Portion(3)</u>	<u>MSBA Portion</u>	<u>Tax Collections: Net of MBTA and MSBA</u>
July	\$1,352.7	\$102.1	8.2%	\$60.3	\$60.3	\$1,232.1
August	1,385.6	89.1	6.9	55.3	55.3	1,275.0
September	2,015.1	249.2	14.1	76.2	51.9	1,887.1
October	1,342.9	118.0	9.6	55.3	55.3	1,232.3
November	1,426.6	137.9	10.7	52.9	52.9	1,320.8
December	2,072.3	186.4	9.9	83.5	54.5	1,934.2
January	2,052.7	207.6	11.2	66.1	66.1	1,920.5
February	932.5	(70.1)	(7.0)	45.9	45.9	840.8
March	1,774.1	149.1	9.2	79.8	48.8	1,645.6
April (1)	<u>2,505.4</u>	<u>757.9</u>	<u>43.4</u>	<u>54.6</u>	<u>54.6</u>	<u>2,396.1</u>
Total (2)	<u>\$16,859.9</u>	<u>\$1,927.2</u>	<u>12.9%</u>	<u>\$629.9</u>	<u>\$545.7</u>	<u>\$15,684.3</u>

SOURCE: Executive Office for Administration and Finance.

(1) Figures are preliminary.

(2) Totals may not add due to rounding.

(3) Includes adjustments of \$24.3 million on account of the first quarter, \$29 million on account of the second quarter, and \$31 million on account of the third quarter.

The year-to-date tax revenue increase of approximately \$1.927 billion through April 30, 2011 from the same period in fiscal 2010 is attributable, in large part, to an increase of approximately \$649.1 million, or 74.7%, in income tax payments with returns and extensions (mostly in April), an increase of approximately \$506.7 million, or 6.8%, in withholding collections, an increase of approximately \$303.6 million, or 26.8%, in income tax estimated payments, a decrease of approximately \$53 million, or 4.0%, in income tax refunds, an increase of approximately \$291.4 million, or 7.7%, in sales and use tax collections, and an increase of approximately \$76.3 million, or 4.6%, in corporate and business tax collections. Year-to-date fiscal 2011 tax collections (through April) were approximately \$732 million above the January 18, 2011 fiscal 2011 tax revenue estimate of \$19.784 billion, which was an upward revision from the consensus estimate used for the original fiscal 2011 budget (adjusted for the impacts of the economic development bill and the sales tax holidays in August, 2010).

See the March Information Statement under the heading “COMMONWEALTH REVENUES AND EXPENDITURES – Fiscal 2010, Fiscal 2011, and Fiscal 2012 Tax Revenues; *Fiscal 2011*.”

Federal and Other Non-Tax Revenues

Lottery Revenues. In March, 2011, the Lottery revised its fiscal 2011 projection to \$956.0 million and in April, 2011 revised its projection to \$958.7 million. The current estimated deficiency for budgetary distributions to be funded by Lottery proceeds is \$29.4 million. See the March Information Statement “COMMONWEALTH REVENUES AND EXPENDITURES – Federal and Other Non-Tax Revenues; *Lottery Revenues*.”

Limitations on Tax Revenues

As of March 31, 2011 actual state tax revenues for fiscal 2011 exceeded the permissible state tax revenue limit set by Chapter 62F by approximately \$651.8 million. Because no withdrawals from the Stabilization Fund are expected to occur during fiscal 2011, the entire amount of any cumulative excess as of the end of fiscal 2011 is expected to be transferred back to the General Fund for inclusion in consolidated net surplus.

The following table shows the quarter by quarter trend of the Temporary Holding Fund for fiscal 2007 through the third quarter of fiscal 2011.

Temporary Holding Fund (in thousands)

	<u>Fiscal 2007</u>	<u>Fiscal 2008</u>	<u>Fiscal 2009</u>	<u>Fiscal 2010</u>	<u>Fiscal 2011</u>
First quarter - period ended September 30					
Cumulative net tax revenues, current fiscal year	\$4,542,170	\$4,796,700	\$4,870,214	\$4,374,038	\$4,819,581
Cumulative net tax revenues, prior fiscal year	4,367,285	4,542,170	4,796,700	4,870,214	4,374,038
Permissible growth rate(1)	8.05%	6.94%	7.89%	4.13%	2.57%
Permissible state tax revenues(2)	<u>4,718,720</u>	<u>4,857,306</u>	<u>5,175,160</u>	<u>5,080,266</u>	<u>4,486,538</u>
Cumulative net revenues, current fiscal year, in excess of permissible revenues	\$ -	\$ -	\$ -	\$ -	\$333,042
Second quarter - period ended December 31					
Cumulative net tax revenues, current fiscal year	\$8,831,036	\$9,194,513	\$9,200,005	\$8,834,580	\$9,732,050
Cumulative net tax revenues, prior fiscal year	8,526,671	8,831,036	9,194,513	9,200,005	8,834,580
Permissible growth rate(1)	7.62%	6.93%	8.34%	2.10%	3.465%
Permissible state tax revenues(2)	<u>9,175,977</u>	<u>9,442,585</u>	<u>9,960,876</u>	<u>9,392,837</u>	<u>9,140,698</u>
Cumulative net revenues, current fiscal year, in excess of permissible revenues	\$ -	\$ -	\$ -	\$ -	\$591,351
Third quarter - period ended March 31					
Cumulative net tax revenues, current fiscal year	\$13,659,295	\$14,485,334	\$13,599,204	\$13,358,852	\$14,550,178
Cumulative net tax revenues, prior fiscal year	12,946,485	13,659,294	14,485,334	13,599,204	13,358,852
Permissible growth rate(1)	6.92%	7.41%	7.60%	2.00%	4.039%
Permissible state tax revenues(2)	<u>13,841,734</u>	<u>14,671,584</u>	<u>15,586,799</u>	<u>13,871,188</u>	<u>13,898,416</u>
Cumulative net revenues, current fiscal year, in excess of permissible revenues	\$ -	\$ -	\$ -	\$ -	651,763
Fourth Quarter - Period ending June 30					
Cumulative net tax revenues, current fiscal year	\$19,848,064	\$21,009,329	\$18,513,036	\$18,792,777	
Cumulative net tax revenues, prior fiscal year	18,592,175	19,848,064	21,009,085	18,513,036	
Permissible growth rate(1)	6.52%	7.66%	6.27%	1.61%	
Permissible state tax revenues(2)	<u>19,804,571</u>	<u>21,368,426</u>	<u>22,325,305</u>	<u>18,810,911</u>	
Cumulative net revenues, current fiscal year, in excess of permissible revenues	\$43,493	\$ -	\$ -	\$ -	

SOURCES: Office of the Comptroller.

(1) Defined as inflation plus 2%, but not less than 0%.

(2) Defined as cumulative net state tax revenues, prior fiscal year, multiplied by 1 plus the permissible growth rate.

See the March Information Statement "COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues."

Other Health and Human Services

Office of Children, Youth, and Family Services. The first paragraph on page A-29 of the March Information Statement has been revised to read as follows: Through the Department of Transitional Assistance, the Commonwealth funds three major programs of public assistance for eligible state residents: transitional aid to families with dependent children (TAFDC); emergency aid to the elderly, disabled and children (EAEDC); and the state supplemental benefits for residents enrolled in the federal supplemental security income (SSI) program. In addition, the Department is responsible for administering the entirely federally funded Supplemental Nutrition Assistance Program (SNAP, formerly food stamps), which provides food assistance to low-income families and

individuals. Lastly, beginning in fiscal 2008, the Department established a new supplemental nutritional program, which provides small supplemental benefits to certain working families currently enrolled in the SNAP program.

See the March Information Statement under the heading “COMMONWEALTH REVENUES AND EXPENDITURES – Other Health and Human Services; *Office of Children, Youth, and Family Services*.”

LONG-TERM LIABILITIES

Debt Service Requirements

The following table sets forth, as of March 31, 2011, the annual fiscal year debt service requirements on outstanding Commonwealth general obligation bonds, special obligation bonds and federal grant anticipation notes. For variable-rate bonds with respect to which the Commonwealth is a fixed-rate payor under an associated interest rate swap agreement, the debt service schedule assumes payment of the fixed rate due under such agreement. For other variable-rate bonds, the schedule assumes a 5% interest rate.

See the March Information Statement under the heading “LONG-TERM LIABILITIES—Debt Service Requirements.”

Debt Service Requirements on Commonwealth Bonds as of March 31, 2011 through Maturity (in thousands) (1)

<u>General Obligation Bonds</u>							<u>Federal Highway Grant Anticipation Notes</u>				
<u>Period Ending</u>	<u>Principal</u>	<u>Compounded Interest</u>	<u>Gross Interest</u>	<u>Build America Bonds Subsidies</u>	<u>Net Interest</u>	<u>Debt Service</u>	<u>Principal</u>	<u>Gross Interest</u>	<u>Build America Bonds Subsidies</u>	<u>Net Interest</u>	<u>Debt Service</u>
6/30/2011	46,685		160,684	(6,380)	154,304	200,989	\$45,065	\$ 16,885	\$ (714)	\$16,171	\$61,236
6/30/2012	1,168,978	\$8,266	829,738	(36,557)	793,181	1,970,425	156,405	32,257	(1,494)	30,763	187,168
6/30/2013	1,266,929	9,413	778,651	(36,557)	742,094	2,018,436	161,285	26,876	(1,494)	25,382	186,667
6/30/2014	1,179,167	7,735	728,413	(36,557)	691,856	1,878,758	170,710	17,451	(1,494)	15,957	186,668
6/30/2015	1,074,808	7,686	678,982	(36,557)	642,425	1,724,919	178,390	9,773	(1,494)	8,279	186,669
6/30/2016	1,079,015	6,652	631,123	(36,557)	594,566	1,680,232	11,390	4,098	(1,434)	2,664	14,054
6/30/2017	868,733	4,877	583,939	(36,557)	547,382	1,420,992	11,635	3,720	(1,302)	2,418	14,053
6/30/2018	776,326	3,868	544,031	(36,557)	507,473	1,287,667	11,925	3,277	(1,147)	2,130	14,055
6/30/2019	782,035	3,310	505,172	(36,557)	468,615	1,253,961	12,245	2,780	(973)	1,807	14,052
6/30/2020	840,127	2,594	466,624	(36,300)	430,324	1,273,046	12,600	2,235	(782)	1,453	14,053
6/30/2021	1,102,433	2,194	418,840	(35,014)	383,826	1,488,453	12,985	1,648	(577)	1,071	14,056
6/30/2022	970,939	1,968	369,377	(32,698)	336,679	1,309,586	13,390	1,020	(357)	663	14,053
6/30/2023	718,804	1,782	327,142	(31,412)	295,730	1,016,317	<u>13,830</u>	<u>348</u>	<u>(122)</u>	<u>226</u>	<u>14,056</u>
6/30/2024	669,362	1,446	292,786	(31,295)	261,491	932,300					
6/30/2025	619,429	1,246	261,661	(31,295)	230,366	851,041					
6/30/2026	548,843	1,121	233,052	(30,776)	202,276	752,240					
6/30/2027	490,228	1,067	207,845	(30,203)	177,642	668,938					
6/30/2028	445,558	1,116	186,009	(28,953)	157,056	603,729					
6/30/2029	595,408	522	161,809	(26,687)	135,122	731,052					
6/30/2030	604,494	<u>288</u>	131,111	(22,892)	108,219	713,002					
6/30/2031	517,190	106	97,983	(16,808)	81,175	598,471					
6/30/2032	258,715		82,021	(14,776)	67,245	325,960					
6/30/2033	187,300		69,908	(12,440)	57,468	244,768					
6/30/2034	188,585		60,460	(11,068)	49,392	237,977					
6/30/2035	196,755		50,745	(9,647)	41,098	237,853					
6/30/2036	205,130		40,643	(8,177)	32,466	237,596					
6/30/2037	214,730		30,106	(6,654)	23,452	238,182					
6/30/2038	194,135		19,102	(5,077)	14,025	208,160					
6/30/2039	123,805		10,940	(3,445)	7,495	131,300					
6/30/2040	91,905		4,596	(1,609)	2,988	94,893					
TOTAL	\$18,026,552	\$67,258	\$8,963,495	(\$726,063)	\$8,237,432	\$26,331,243	\$811,855	\$122,368	(\$13,383)	\$108,983	\$920,839

LEGAL MATTERS

Matters described in the March Information Statement under the heading “LEGAL MATTERS” are updated as follows:

Programs and Services

Finch, et al. v. Health Insurance Connector Authority, et al. On May 6, 2011, the Supreme Judicial Court issued a decision in which it held that the Massachusetts statute limiting many aliens’ eligibility for Commonwealth Care constitutes a suspect classification that is subject to strict scrutiny under the Massachusetts Constitution. The Court did not reach the question whether this restriction on Commonwealth Care eligibility would satisfy strict scrutiny, but remanded the matter to the Supreme Judicial Court single justice session for further proceedings.

It is possible that the Supreme Judicial Court’s decision will have implications for other public benefit programs.

See the March Information Statement “LEGAL MATTERS – Programs and Services; *Finch, et al. v. Health Insurance Connector Authority, et al.*”

Other

Local 589, Amalgamated Transit Union, et al. v. Commonwealth of Massachusetts, et al., Suffolk Superior Court. On April 15, 2011 the Superior Court granted summary judgment for the Defendants.

See the March Information Statement “LEGAL MATTERS – Other; *Local 589 Amalgamated Transit Union, et al. v. Commonwealth of Massachusetts, et al.*”

MISCELLANEOUS

Any provisions of the constitution of the Commonwealth, of general and special laws and of other documents set forth or referred to in the March Information Statement and this Supplement are only summarized, and such summaries do not purport to be complete statements of any of such provisions. Only the actual text of such provisions can be relied upon for completeness and accuracy.

The March Information Statement and this Supplement contain certain forward-looking statements that are subject to a variety of risks and uncertainties that could cause actual results to differ from the projected results, including without limitation general economic and business conditions, conditions in the financial markets, the financial condition of the Commonwealth and various state agencies and authorities, receipt of federal grants, litigation, arbitration, force majeure events and various other factors that are beyond the control of the Commonwealth and its various agencies and authorities. Because of the inability to predict all factors that may affect future decisions, actions, events or financial circumstances, what actually happens may be different from what is set forth in such forward-looking statements. Forward-looking statements are indicated by use of such words as “may,” “will,” “should,” “intends,” “expects,” “believes,” “anticipates,” “estimates” and others.

All estimates and assumptions in the March Information Statement and this Supplement have been made on the best information available and are believed to be reliable, but no representations whatsoever are made that such estimates and assumptions are correct. So far as any statements in the March Information Statement and this Supplement involve any matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact. The various tables may not add due to rounding of figures.

Neither the Commonwealth’s independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor

have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

The information, estimates and assumptions and expressions of opinion in the March Information Statement and this Supplement are subject to change without notice. Neither the delivery of this Supplement nor any sale made pursuant to any official statement of which the March Information Statement and this Supplement are a part shall, under any circumstances, create any implication that there has been no change in the affairs of the Commonwealth or its agencies, authorities or political subdivisions since the date of this Supplement, except as expressly stated.

CONTINUING DISCLOSURE

The Commonwealth prepares its Statutory Basis Financial Report and its Comprehensive Annual Financial Report with respect to each fiscal year ending June 30. The Statutory Basis Financial Report becomes available by October 31 of the following fiscal year and the Comprehensive Annual Financial Report becomes available in January of the following fiscal year. Copies of such reports and other financial reports of the Comptroller referenced in this document may be obtained by requesting the same in writing from the Office of the Comptroller, One Ashburton Place, Room 909, Boston, Massachusetts 02108. The financial statements are also available at the Comptroller's web site located at <http://www.mass.gov/osc> by clicking on "Financial Reports/Audits."

On behalf of the Commonwealth, the State Treasurer will provide to the Municipal Securities Rulemaking Board (MSRB), no later than 270 days after the end of each fiscal year of the Commonwealth, certain financial information and operating data relating to such fiscal year, as provided in Rule 15c2-12 of the federal Securities and Exchange Commission, together with audited financial statements of the Commonwealth for such fiscal year. To date, the Commonwealth has complied with all of its continuing disclosure undertakings relating to the general obligation debt of the Commonwealth and has not failed in the last seven years to comply with its continuing disclosure undertakings with respect to its special obligation debt and federal grant anticipation notes. However, the annual filings relating to the fiscal year ended June 30, 2001 for the Commonwealth's special obligation debt and for the Commonwealth's federal highway grant anticipation notes were filed two days late, on March 29, 2002. Proper notice of the late filings was provided on March 29, 2002 to the MSRB.

The Department of the State Auditor audits all agencies, departments and authorities of the Commonwealth at least every two years. Copies of audit reports may be obtained from the State Auditor, State House, Room 229, Boston, Massachusetts 02133.

AVAILABILITY OF OTHER FINANCIAL INFORMATION

Questions regarding the March Information Statement or this Supplement or requests for additional information concerning the Commonwealth should be directed to Colin MacNaught, Assistant Treasurer for Debt Management, Office of the Treasurer and Receiver-General, One Ashburton Place, 12th floor, Boston, Massachusetts 02108, telephone (617) 367-3900, or to Karol Ostberg, Director of Capital Finance, Executive Office for Administration and Finance, State House, Room 373, Boston, Massachusetts 02133, telephone (617) 727-2040. Questions regarding legal matters relating to the March Information Statement or this Supplement should be directed to John R. Regier, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, telephone (617) 348-1720.

THE COMMONWEALTH OF MASSACHUSETTS

By /s/ Steven Grossman
Steven Grossman
Treasurer and Receiver-General

By /s/ Jay Gonzalez
Jay Gonzalez
Secretary of Administration and Finance

May 6, 2011

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon delivery of the Bonds described below, Bond Counsel proposes to deliver an opinion in substantially the following form:

NIXON PEABODY_{LLP}
ATTORNEYS AT LAW

Date of Delivery

The Honorable Steven Grossman
Treasurer and Receiver-General
The Commonwealth of Massachusetts
State House - Room 227
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts
General Obligation Bonds, Consolidated Loan of 2011, Series B and
General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds)

Ladies and Gentlemen:

We have acted as Bond Counsel to The Commonwealth of Massachusetts in connection with the issuance by the Commonwealth of \$469,635,000 aggregate principal amount of General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B (the "Series B Bonds") and \$6,795,000 Series C (BuildMassBonds) (the "Series C Bonds" and collectively with the Series B Bonds, the "Bonds"), dated June 1, 2011.

We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation. On the basis of the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds are valid general obligations of The Commonwealth of Massachusetts (the "Commonwealth") and the full faith and credit of the Commonwealth are pledged for the payment of the principal of and interest on the Bonds. It should be noted, however, that Chapter 62F of the General Laws of The Commonwealth of Massachusetts establishes a state tax revenue growth limit and does not exclude principal and interest payments on Commonwealth debt obligations from the scope of the limit.
2. Interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. We express no opinion as to other Massachusetts or local tax consequences arising with respect to the Bonds nor as to the taxability of the Bonds or the income therefrom under the laws of any state other than Massachusetts.
3. The Internal Revenue Code of 1986 (the "Code") sets forth certain requirements which must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for Federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for Federal income tax purposes retroactive to the date of issue of the Bonds. The Commonwealth has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from

gross income for Federal income tax purposes pursuant to Section 103 of the Code. In addition, the Commonwealth has made certain representations and certifications relating to the exclusion from gross income for federal income tax purposes of interest on the Bonds. We have not independently verified the accuracy of those certifications and representations.

Under existing law, assuming compliance with the tax covenants described herein and the accuracy of the aforementioned representations and certifications, interest on the Bonds is excluded from gross income for Federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Interest on the Bonds is, however, included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax imposed on such corporations.

Bond Counsel is further of the opinion that the difference between the principal amount of the Series B Bonds maturing 2022 with a 3.00% interest coupon, 2023 with a 3.25% interest coupon, 2024 with a 3.375% interest coupon and 2025 with a 3.50% interest coupon and the Series C Bonds (collectively the "Discount Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity was sold constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment.

Except as stated in the preceding four paragraphs, we express no opinion as to any other Federal, state or local tax consequences of the ownership or disposition of the Bonds. Furthermore, we express no opinion as to any Federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

The Commonwealth of Massachusetts

\$462,840,000

General Obligation Bonds
Consolidated Loan of 2011, Series B

and

\$6,795,000

General Obligation Bonds
Consolidated Loan of 2011, Series C (BuildMassBonds)

Continuing Disclosure Undertaking
[to be included in bond form]

On behalf of the Commonwealth, the Treasurer and Receiver-General of the Commonwealth hereby undertakes for the benefit of the owners of the Bonds to provide the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system pursuant to the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), no later than 270 days after the end of each fiscal year of the Commonwealth, commencing with the fiscal year ending June 30, 2011, (i) the annual financial information described below relating to such fiscal year, together with audited financial statements of the Commonwealth for such fiscal year if audited financial statements are then available; provided, however, that if audited financial statements of the Commonwealth are not then available, such audited financial statements shall be delivered to EMMA when they become available (but in no event later than 350 days after the end of such fiscal year) or (ii) notice of the Commonwealth's failure, if any, to provide any such information. The annual financial information to be provided as aforesaid shall include financial information and operating data, in each case updated through the last day of such fiscal year unless otherwise noted, relating to the following information contained in the Commonwealth's Information Statement dated March 15, 2011 (the "Information Statement"), as it appears as Appendix A in the Official Statement dated March 23, 2011 of the Commonwealth with respect to its \$80,005,000 General Obligation Refunding Bonds, 2011 Series B and its \$360,000,000 General Obligation Bonds, Consolidated Loan of 2011, Series A, which Official Statement has been filed with EMMA, and substantially in the same level of detail as is found in the referenced section of the Information Statement:

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
1. Summary presentation on statutory accounting and five-year comparative basis of selected budgeted operating funds operations, revenues and expenditures, concluding with prior fiscal year, plus estimates for current fiscal year	"COMMONWEALTH BUDGET AND FINANCIAL MANAGEMENT CONTROLS – Statutory Basis Distribution of Budgetary Revenues and Expenditures"
2. Summary presentation on GAAP and five-year comparative basis of governmental funds operations, concluding with prior fiscal year	"SELECTED FINANCIAL DATA – GAAP Basis"
3. Summary presentation on a five-year comparative basis of lottery revenues and profits	"COMMONWEALTH REVENUES AND EXPENDITURES – Federal and Other Non-Tax Revenues; <i>Lottery Revenues</i> "
4. Summary presentation of payments received pursuant to the tobacco master settlement agreement	"COMMONWEALTH REVENUES AND EXPENDITURES – Federal and Other Non-Tax Revenues; <i>Tobacco Settlement</i> "

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
5. So long as Commonwealth statutes impose limits on tax revenues, information as to compliance therewith in the prior fiscal year	"COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues"
6. Summary description of the retirement systems for which the Commonwealth is responsible, including membership and contribution rates.	"PENSION AND OPEB FUNDING – Retirement Systems" and "PENSION AND OPEB FUNDING – Employee Contributions."
7. Summary presentation of the then-current, statutorily imposed funding schedule for future Commonwealth pension liabilities, if any	"PENSION AND OPEB FUNDING – Funding Schedule."
8. Summary presentation on a five-year comparative basis of actuarial valuations of pension fund assets, liabilities and funding progress.	"PENSION AND OPEB FUNDING – Actuarial Valuations."
9. Summary presentation on a five-year comparative basis of annual required pension contributions under GAAP and pension contributions made.	"PENSION AND OPEB FUNDING – Annual Required Contributions."
10. Summary presentation on a five-year comparative basis of PRIT Fund asset allocation and investment returns.	"PENSION AND OPEB FUNDING – PRIT Fund Investments."
11. Summary presentation of actuarial valuations of OPEB assets, liabilities and funding progress.	"PENSION AND OPEB FUNDING – Other Post-Retirement Employee Benefit Obligations (OPEB)."
12. If and to the extent otherwise updated in the prior fiscal year, summary presentation of the size of the state workforce	"STATE WORKFORCE"
13. Five-year summary presentation of actual capital project expenditures	"COMMONWEALTH CAPITAL INVESTMENT PLAN"
14. Statement of general and special obligation long-term debt issuance and repayment analysis on a five-year comparative basis through the end of the prior fiscal year	"LONG-TERM LIABILITIES – General and Special Obligation Long-Term Debt Issuance and Repayment Analysis"
15. Statement of outstanding Commonwealth debt on a five-year comparative basis through the end of the prior fiscal year	"LONG-TERM LIABILITIES – Outstanding Long Term Commonwealth Debt"
16. Annual fiscal year debt service requirements for Commonwealth general obligation and special obligation bonds, beginning with the current fiscal year	"LONG-TERM LIABILITIES – Debt Service Requirements"

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
17. Annual fiscal year contract assistance requirements for Commonwealth general obligation contract assistance, beginning with the current fiscal year	“LONG-TERM LIABILITIES – General Obligation Contract Assistance Liabilities”
18. Annual fiscal year budgetary contractual assistance liabilities for Commonwealth, beginning with the current fiscal year	“LONG-TERM LIABILITIES – Budgetary Contract Assistance Liabilities”
19. Five-year summary presentation of authorized but unissued general obligation debt	“LONG-TERM LIABILITIES – Authorized But Unissued Debt”
20. So long as Commonwealth statutes impose a limit on the amount of outstanding “direct” bonds, information as to compliance therewith as of the end of the prior fiscal year	“LONG-TERM LIABILITIES – General Authority to Borrow; <i>Statutory Limit on Direct Debt</i> ”
21. Summary presentation of the then-current, Commonwealth interest rate swap agreements	“LONG-TERM LIABILITIES – Interest Rate Swaps”
22. Summary presentation of the then-current, Commonwealth liquidity facilities	“LONG-TERM LIABILITIES – Liquidity Facilities”

Any or all of the items listed above may be included by reference to other documents, including official statements pertaining to debt issued by the Commonwealth, which have been submitted to EMMA. The Commonwealth’s annual financial statements for each fiscal year shall consist of (i) combined financial statements prepared in accordance with a basis of accounting that demonstrates compliance with the Massachusetts General Laws and other applicable state finance laws, if any, in effect from time to time and (ii) general purpose financial statements prepared in accordance with generally accepted accounting principles in effect from time to time and shall be audited by a firm of certified public accountants appointed by the Commonwealth.

On behalf of the Commonwealth, the Treasurer and Receiver-General of the Commonwealth hereby further undertakes for the benefit of the owners of the Bonds to provide in a timely manner, not in excess of ten business days after occurrence of the event, to EMMA notice of any of the following events with respect to the Bonds (numbered in accordance with the provisions of the Rule):

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;^{1/}
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or

^{1/}Not applicable to the Bonds, since there is no debt service reserve fund securing the Bonds.

determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

- (vii) modifications to the rights of security holders, if material;
- (viii) bond calls, if material;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Bonds, if material;^{2/}
- (xi) rating changes;
- (xii) tender offers;
- (xiii) bankruptcy, insolvency, receivership or similar event of the Commonwealth;^{3/}
- (xiv) the consummation of a merger, consolidation, or acquisition or the sale of all or substantially all of the assets of the Commonwealth, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xv) appointment of a successor or additional trustee or the change of name of a trustee, if material.^{4/}

Nothing herein shall preclude the Commonwealth from disseminating any information in addition to that required hereunder. If the Commonwealth disseminates any such additional information, nothing herein shall obligate the Commonwealth to update such information or include it in any future materials disseminated.

To the extent permitted by law, the foregoing provisions of this Bond related to the above-described undertakings to provide information shall be enforceable against the Commonwealth in accordance with the terms thereof by any owner of a Bond, including any beneficial owner acting as a third-party beneficiary (upon proof of its status as a beneficial owner reasonably satisfactory to the Treasurer and Receiver-General). To the extent permitted by law, any such owner shall have the right, for the equal benefit and protection of all owners of Bonds, by mandamus or other suit or proceeding at law or in equity, to enforce its rights against the Commonwealth and to compel the Commonwealth and any of its officers, agents or employees to perform and carry out their duties under the foregoing provisions as aforesaid, provided; however, that the sole remedy in connection with such undertakings shall be limited to an action to compel specific performance of the obligations of the Commonwealth in connection with such undertakings and shall not include any rights to monetary damages. The Commonwealth's obligations in respect of such undertakings shall terminate if no Bonds remain outstanding (without regard to an economic defeasance) or if the provisions of the Rule concerning continuing disclosure are no longer effective, whichever occurs first. The provisions of this Bond relating to such undertakings may be amended by the Treasurer and Receiver-General of the Commonwealth, without the consent of, or notice to, any owners of the Bonds, (a) to comply with or conform to the provisions of the Rule or any amendments thereto or authoritative interpretations thereof by the Securities and Exchange Commission or its staff (whether required or optional), (b) to add a dissemination agent for the information

2/Not applicable to the Bonds, since there is no property securing repayment of the Bonds that could be released, substituted or sold.

3/ As noted in the Rule, this event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for the Commonwealth in a proceeding under the U.S. Bankruptcy Code or in any proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Commonwealth, or if such jurisdiction has been assumed by leaving the existing governing body and officials in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Commonwealth.

4/ Not applicable to the Bonds.

required to be provided by such undertakings and to make any necessary or desirable provisions with respect thereto, (c) to add to the covenants of the Commonwealth for the benefit of the owners of Bonds, (d) to modify the contents, presentation and format of the annual financial information from time to time as a result of a change in circumstances that arises from a change in legal requirements, or (e) to otherwise modify the undertakings in a manner consistent with the provisions of state legislation establishing a state information depository or otherwise responding to the requirements of the Rule concerning continuing disclosure; provided, however, that in the case of any amendment pursuant to clause (d) or (e), (i) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances, and (ii) the amendment does not materially impair the interests of the owners of the Bonds, as determined either by a party unaffiliated with the Commonwealth (such as Commonwealth disclosure counsel or Commonwealth bond counsel) or by the vote or consent of owners of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment.

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THE COMMONWEALTH OF MASSACHUSETTS

\$469,635,000
General Obligation Bonds
Consolidated Loan of 2011
consisting of
\$462,840,000 Series B and \$6,795,000 Series C (BuildMassBonds)

BOND PURCHASE AGREEMENT

May 24, 2011

THE COMMONWEALTH OF MASSACHUSETTS

c/o Steven Grossman
Treasurer and Receiver-General
State House
Boston, Massachusetts 02133

Ladies and Gentlemen:

The undersigned (the "Representative"), acting on behalf of itself and the other underwriters listed on the signature page hereof (collectively, the "Underwriters"), offer to enter into this Bond Purchase Agreement with The Commonwealth of Massachusetts (the "Commonwealth") which, upon the Commonwealth's acceptance of this offer, will be binding upon the Commonwealth and the Underwriters. This offer is made subject to the Commonwealth's written acceptance of this Bond Purchase Agreement on or before 5:00 p.m., Boston time, on May 24, 2011, and if not so accepted will be subject to withdrawal by the Underwriters upon written notice delivered by the Representative to the Commonwealth at any time prior to the acceptance hereof by the Commonwealth. You have heretofore delivered to us the Preliminary Official Statement of the Commonwealth, dated May 13, 2011 (the "Preliminary Official Statement").

Pursuant to the Constitution and laws of the Commonwealth, the Commonwealth is authorized to and intends to issue \$469,635,000 aggregate principal amount of the Commonwealth's General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B and \$6,795,000 Series C (BuildMassBonds) (together, the "Bonds"). The Bonds will be dated the date of delivery thereof, shall have the maturities and bear interest at the rates per annum and be payable at such times, all as set forth in **Exhibit A** hereto and in the Official Statement, dated as of the date hereof, relating to the Bonds (which, together with the cover page, the inside cover page and all appendices thereto, as the same from time to time may be amended or supplemented in accordance herewith, including the Supplemental Information Statement of the Commonwealth dated May 6, 2011 and the Information Statement of the Commonwealth dated March 15, 2011 referenced therein (together, the "Information Statement"), and the financial statements of the Commonwealth referred to therein, is herein called the "Official Statement").

1. Upon the terms and conditions and upon the basis of the representations set forth herein, the Underwriters, jointly and severally, hereby agree to purchase from the Commonwealth, and the Commonwealth hereby agrees to sell and deliver to the Underwriters, all (but not less than all) of the Bonds. The purchase price for all of the Bonds shall be the amount set forth as the Purchase Price thereof in **Exhibit A** attached hereto, calculated as shown in such **Exhibit A**.

The Underwriters have designated J.P. Morgan Securities LLC as their representative and the Representative has been duly authorized to execute all closing documents and certificates relating to the issuance of the Bonds by and on behalf of the other Underwriters, pursuant to an Agreement Among Underwriters, dated May 18, 2011, by and among the Representative and the other Underwriters.

2. The Underwriters agree to make a bona fide public offering of all of the Bonds at not in excess of the initial public offering prices, or not less than the yields, set forth on the inside cover of the Official Statement. The Bonds may be offered and sold to certain dealers and others (including the Underwriters and other dealers depositing the Bonds into investment trusts or mutual funds) at prices lower than such public offering prices or at yields higher than such public offering yields. On or before the date of the Closing (hereinafter defined), the Underwriters shall furnish to the Commonwealth a certificate acceptable to Nixon Peabody LLP, bond counsel to the Commonwealth ("Bond Counsel"), establishing the issue price of the Bonds for purposes of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code").

2A. Delivered to the Commonwealth herewith is a corporate check of the Representative payable to the order of the Commonwealth in the amount of \$4,900,000 to assure performance by the Underwriters of their obligations hereunder. The Commonwealth agrees to hold such check uncashed and upon satisfaction of all such obligations, or in the event that the Commonwealth does not accept this offer, such check shall be immediately returned to the Representative. In the event of the Commonwealth's failure to deliver the Bonds at the Closing, or if the Commonwealth shall be unable to satisfy the conditions of the obligations of the Underwriters contained herein, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Bond Purchase Agreement, such check shall be immediately returned to the Representative, and such return shall constitute a full release and discharge of all claims by the Underwriters arising out of the transactions contemplated hereby. In the event that the Underwriters fail (other than for a reason permitted hereunder) to accept delivery of and to pay for the Bonds at the Closing as herein provided, the amount of such check shall be retained by the Commonwealth as and for full liquidated damages for such failure and for any defaults hereunder on the part of the Underwriters, and such retention shall constitute a full release and discharge of all claims by the Commonwealth against the Underwriters arising out of the transactions contemplated hereby. If the Closing occurs, such check shall be returned to the Representative concurrently with the Closing.

3. Within seven (7) business days of the date hereof but no later than two (2) business days prior to closing, the Commonwealth shall deliver to the Underwriters copies of the Official Statement in such number as may be reasonably requested by the Underwriters in order for the Underwriters to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as

amended ("Rule 15c2-12") and the rules of the Municipal Securities Rulemaking Board, which shall be in a form satisfactory to the Underwriters, and which shall be executed on behalf of the Commonwealth by the Treasurer and Receiver-General (the "Treasurer") and its Secretary of Administration and Finance (the "A&F Secretary").

The Commonwealth hereby authorizes the use by the Underwriters in connection with the public offering and sale of the Bonds of the Official Statement (as the same may be supplemented or amended as hereinafter provided). The Commonwealth hereby ratifies the use by the Underwriters prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds. The Commonwealth hereby confirms that the Official Statement is the final Official Statement within the meaning of paragraph (f)(3) of Rule 15c2-12. As of the date of the Preliminary Official Statement the Commonwealth deemed the Preliminary Official Statement "final" as that term is used in paragraph (b)(1) of Rule 15c2-12.

4. The Commonwealth represents and warrants to and agrees with the Underwriters (and it shall be a condition of the obligation of the Underwriters to purchase and accept delivery of the Bonds that the Commonwealth shall so represent and warrant as of the date of the Closing) that:

- (a) The Commonwealth has, and at the date of the Closing will have, full legal right, power and authority to enter into this Bond Purchase Agreement, and to perform the covenants set forth in the Bonds and to issue and deliver the Bonds to the Underwriters as provided herein and to carry out and consummate all other transactions contemplated by this Bond Purchase Agreement; and at the date of the Closing, the Commonwealth will have taken all necessary action required to make this Bond Purchase Agreement and the Bonds valid and binding obligations of the Commonwealth; and when executed and delivered, this Bond Purchase Agreement will constitute the valid and binding obligation of the Commonwealth enforceable against the Commonwealth in accordance with its terms;
- (b) When executed and delivered, the Bonds will be valid and legally binding general obligations of the Commonwealth, for the payment of the principal of and interest on which the full faith and credit of the Commonwealth will be validly pledged (the Underwriters acknowledge the information regarding certain statutory limits on revenue growth and expenditures for debt service on obligations of the Commonwealth, including the Bonds, the pledge of certain taxes and federal receipts to obligations of the Commonwealth other than the Bonds and limitations on attaching or levying against property of the Commonwealth and on the satisfaction of judgments against the Commonwealth, all as described in the Official Statement under the heading "SECURITY FOR THE BONDS" and in the Information Statement under the headings "COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues," "COMMONWEALTH CAPITAL INVESTMENT PLAN" and "LONG-TERM LIABILITIES");
- (c) All authorizations, consents or approvals of, or filings or registrations, if any, with any Governmental Authority (defined herein) or court necessary for the valid issuance of, and performance by, the Commonwealth of its obligations under the

Bonds (other than any requirement that amounts be appropriated to perform such obligations) will have been duly obtained or made prior to the issuance of the Bonds (and disclosed to the Underwriters); as used herein, the term "Governmental Authority" refers to any legislative body or governmental official, department, commission, board, bureau, agency, authority, instrumentality, body or public benefit corporation;

- (d) Both at the time of the Commonwealth's acceptance hereof and at the date of the Closing, there shall not have been any material adverse change in the financial condition of the Commonwealth as stated in either the Comprehensive Annual Financial Report or the Statutory Basis Financial Report for the fiscal year of the Commonwealth ended June 30, 2010, both as described in the Official Statement, other than as set forth in or as contemplated by the Official Statement;
- (e) The Preliminary Official Statement (excluding therefrom the information contained therein under the headings "BOOK-ENTRY-ONLY SYSTEM," "RATINGS," and "UNDERWRITING," as to which no representations and warranties are made) as of its date and as of the date hereof does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, and the Official Statement (excluding therefrom the information contained therein under the headings "BOOK-ENTRY-ONLY SYSTEM," "RATINGS," and "UNDERWRITING," as to which no representations and warranties are made) as of the date hereof, and as of the date of any amendment or supplement thereto as required hereby subsequent to the Closing, up to and including the date which is twenty-five (25) days following the End of the Underwriting Period (as hereinafter defined), does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;
- (f) As of the time of acceptance hereof and as of the Closing, the Commonwealth is not and will not be in default as to payment when due of the principal of or interest on any bond or note of the Commonwealth or as to payment of any sum due on account of any guaranty by it of bonds or notes in accordance with the terms of such guaranty or as to payment of any sum due under any contract for assistance by it relating to bonds or notes in accordance with the terms of such contract; and the execution and delivery by the Commonwealth of this Bond Purchase Agreement and the issuance, sale and delivery of the Bonds, and compliance with the provisions on its part contained in each thereof do not and will not conflict with or constitute a breach of or default or event of default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, note, bond, resolution, indenture, agreement or other instrument to which the Commonwealth is, or will on the date of the Closing be, a party;
- (g) As of the time of acceptance hereof and as of the Closing, no litigation is pending or, to the knowledge of the Attorney General of the Commonwealth, threatened,

seeking to enjoin the issuance, sale, execution and delivery of the Bonds or the execution, delivery or performance of this Bond Purchase Agreement or in any way contesting or affecting the validity of or security for the Bonds or the levy or collection of any material portion of the taxes or other revenues of the Commonwealth except as described in the Official Statement under the caption "LITIGATION," or contesting in any way the completeness, accuracy or fairness of the Official Statement or contesting the title to the office of any Commonwealth official signing the Bonds or the Official Statement;

- (h) The Bonds as delivered at the time of Closing will conform in all material respects to the descriptions thereof contained in the Official Statement;
- (i) The Commonwealth will apply the proceeds from the sale of the Bonds as described in the Official Statement;
- (j) Any certificate signed by any official or other representative of the Commonwealth and delivered to the Representative pursuant to this Bond Purchase Agreement shall be deemed a representation and warranty by the Commonwealth to each of the Underwriters as to the truth of the statements contained respectively therein;
- (k) If between the date of the Official Statement and the date of Closing an event affecting the Commonwealth or the Bonds occurs of which the Commonwealth has knowledge and which would cause the Official Statement to contain an untrue statement of material fact or to omit to state a material fact which should be included therein for the purpose for which the Official Statement is to be used or which is necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, the Commonwealth shall promptly notify the Representative and if, in the opinion of the Commonwealth or the Representative, such event requires an amendment or supplement to the Official Statement, the Commonwealth will, at its expense, amend or supplement the Official Statement in a form and in a manner jointly approved by the Commonwealth and the Representative and will promptly provide the Underwriters with such number of copies thereof as may be reasonably requested by the Underwriters in order for the Underwriters to comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board; and
- (l) Except as otherwise disclosed in the Information Statement, the Commonwealth has complied with all of its continuing disclosure undertakings under Rule 15c2-12 relating to the general obligation debt of the Commonwealth.

5. By 12:00 Noon, Boston time, on June 1, 2011 or on such later date or at such later time as shall be mutually agreed upon between the Commonwealth and the Representative, the Commonwealth will deliver the Bonds to or for the account of the Underwriters in definitive form, duly executed, at the offices of The Depository Trust Company ("DTC") in New York, New York or at such other place as shall have been mutually agreed upon by the Commonwealth

and the Representative. Simultaneously therewith, at the offices of Bond Counsel in Boston, Massachusetts, or such other place as shall have been mutually agreed upon by the Commonwealth and the Representative, the Representative will accept delivery of the other documents hereinafter mentioned and pay the "Purchase Price of the Bonds" as set forth in **Exhibit A** hereto, in Federal Funds payable to the order of the Commonwealth (such payment and delivery referred to herein as the "Closing"). The Bonds shall be typewritten or printed and will be delivered in the form of registered Bonds registered in the name of Cede & Co., as nominee for DTC, as set forth in the Official Statement. The Bonds will be made available at least twenty-four (24) hours before the Closing for inspection.

6. The Underwriters have entered into this Bond Purchase Agreement in reliance upon the representations and warranties of the Commonwealth contained herein and to be contained in the documents and instruments to be delivered at the Closing, and upon the performance by the Commonwealth of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters' obligations under this Bond Purchase Agreement to purchase and pay for the Bonds shall be subject to the performance by the Commonwealth of its obligations to be performed hereunder and under such documents and instruments referenced herein to be delivered at or prior to the Closing, and shall also be subject to the following conditions:

- (a) The representations and warranties of the Commonwealth contained herein shall be true, complete and correct in all material respects at the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;
- (b) At the time of the Closing (i) there shall have been no uncured default by the Commonwealth in the payment when due of any amount theretofore due with respect to any note or bond of the Commonwealth, and (ii) except as described in the Official Statement, there shall be no uncured default in the payment of any amount theretofore due with respect to any indebtedness of any person, entity or Governmental Authority guaranteed by the Commonwealth, or which the Commonwealth is otherwise legally obligated to pay or provide for, which, in either case, in the reasonable opinion of the Representative, materially adversely affects the market for the Bonds or the sale, at the contemplated offering prices (or yields), by the Underwriters of the Bonds;
- (c) There shall be in effect as of the time of the Closing ratings assigned to the Bonds by Moody's Investors Service, Inc. of not less than "Aa1," with a stable outlook, by Standard & Poor's Ratings Services of not less than "AA," with a positive outlook and by Fitch Ratings of not less than "AA+," with stable outlook;
- (d) The Underwriters shall have the right to terminate this Bond Purchase Agreement with respect to the Bonds by notification from the Representative in writing or by telegram to the Commonwealth if at any time subsequent to the date hereof and at or prior to the Closing (i) legislation is introduced in or enacted by the Congress of the United States, or passed by either House of the Congress, or recommended to the Congress or otherwise endorsed for passage by the President of the United States, the Treasury Department of the United States, the Internal Revenue

Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is favorably reported for passage to either House of the Congress by a committee of such House to which such legislation has been referred for consideration, or a decision by a court of the United States shall be rendered, or a regulation or filing shall be issued or proposed by or on behalf of the Department of the Treasury or the Internal Revenue Service of the United States, or other agency of the federal government having jurisdiction, or a release or official statement shall be issued by the President, the Department of the Treasury or the Internal Revenue Service of the United States with respect to federal taxation of interest received on obligations of the general character of the Bonds which, in the reasonable opinion of the Representative, materially adversely affects the market for the Bonds or the sale, at the contemplated offering prices (or yields) by the Underwriters of the Bonds; or (ii) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds is in violation of any provisions of the Securities Act of 1933, as amended (the "Securities Act"), or of the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"); or (iii) legislation shall be enacted by, or a bill shall be favorably reported out of a committee to, either House of the Congress of the United States, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made to the effect that securities of the Commonwealth or of any similar public body are not exempt from the registration, qualification or other requirements of the Securities Act or the Trust Indenture Act; or (iv) there shall have occurred a general suspension of trading on the New York Stock Exchange, or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, the effect of which, in the reasonable opinion of the Representative, materially adversely affects the market for the Bonds or the sale at the contemplated offering prices by the Underwriters of the Bonds; or (v) a general banking moratorium shall have been established by federal, New York, or Commonwealth authorities; or (vi) a war involving the United States shall have been declared, or any conflict involving the armed forces of the United States shall have escalated, or any other national or international emergency relating to the effective operation of government or of the financial community shall have occurred, the effect of which, in the reasonable opinion of the Representative, materially adversely affects the market for the Bonds or the sale at the contemplated offering prices (or yields) by the Underwriters of the Bonds; or (vii) there shall have been imposed by the New York Stock Exchange or any other national securities exchange, or any governmental authority, any material restrictions not now in force, with respect to the Bonds or obligations of the

general character of the Bonds or securities generally, or the material increase of any such restrictions now in force, including those relating to the net capital requirements of the Underwriters; or (viii) an event shall occur which (a) makes untrue or incorrect in any material respect, as of the time of such event any statement or information contained in the Official Statement or which is not reflected in the Official Statement but should be reflected therein in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading in any material respect and (b) in the reasonable opinion of the Representative, materially adversely affects the market for the Bonds or the sale, at the contemplated offering prices or yields, by the Underwriters of the Bonds; and

- (e) At or prior to the Closing, the Representative shall have received each of the following documents:
- (1) The Official Statement executed as set forth in Paragraph 3 hereof, as it may have been amended or supplemented at or prior to the date of Closing;
 - (2) A certificate, dated the date of the Closing, signed by the Attorney General of the Commonwealth, to the effect that the statements in Paragraph 4(g) hereof are true and correct;
 - (3) A certificate, dated the date of the Closing, signed by the Treasurer and the A&F Secretary and addressed to the Representative, as representative of the Underwriters and their counsel, Bond Counsel and Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Disclosure Counsel ("Disclosure Counsel"), to the effect that (i) the representations and warranties of the Commonwealth contained in the Bond Purchase Agreement are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing, and (ii) except for the information set forth in the Preliminary Official Statement under the headings "BOOK-ENTRY-ONLY SYSTEM," "RATINGS," "UNDERWRITING" and in Appendix B thereto, and in the Official Statement under the headings "BOOK-ENTRY-ONLY SYSTEM," "RATINGS," "UNDERWRITING," and Appendix B thereto, to the best of their respective knowledge and belief, the Preliminary Official Statement, as of its date, as of the date of any supplement thereto and as of the date hereof, and the Official Statement, as of the date hereof, as of the date of any amendment or supplement thereto between the date hereof and the Closing, and as of the date of the Closing, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances under which they are made, not misleading;
 - (4) The unqualified approving opinion of Bond Counsel, dated the date of the Closing, substantially in the form set forth in Appendix B to the Official Statement, together with a letter of Bond Counsel dated the date of

Closing addressed to the Representative, as representative of the Underwriters, to the effect that their approving opinion may be relied upon by the Underwriters to the same extent as if it were addressed to them;

- (5) A supplemental opinion of Bond Counsel, dated the date of the Closing and addressed to the Treasurer and the A&F Secretary and to the Representative, as representative of the Underwriters, substantially to the following effect:
- (i) the Bond Purchase Agreement has been duly authorized, executed and delivered by the Commonwealth and constitutes a legal, valid and binding agreement of the Commonwealth;
 - (ii) the Bonds are exempt securities within the meaning of Section 3(a)(2) of the Securities Act and Section 304(a)(4) of the Trust Indenture Act and it is not necessary in connection with the sale of the Bonds to the public to register any security under the Securities Act or to qualify any indenture under the Trust Indenture Act; and
 - (iii) such counsel has rendered legal advice and assistance to the Commonwealth in the course of and has participated in the preparation of the Preliminary Official Statement and the Official Statement and, based upon such participation, they are of the opinion that the information contained in the Preliminary Official Statement, as of its date and as of the date hereof, and the Official Statement, as of its date, and as of the date of any amendment or supplement thereto between the date hereof and the date of Closing, and as of the date of Closing, under the headings "THE BONDS" and "SECURITY FOR THE BONDS" and in Appendix B, insofar as such information constitutes summaries of certain provisions of the Bonds and applicable Massachusetts law, presents, as of such dates, a fair summary of such provisions and that the statements in the Preliminary Official Statement, as of its date and as of the date hereof, and in the Official Statement, as of its date, and as of the date of any amendment or supplement thereto between the date hereof and the date of Closing, and as of the date of Closing, under the caption "TAX EXEMPTION" and in the summary tax opinion contained on the cover of the Preliminary Official Statement and the Official Statement, insofar as such statements purport to summarize certain provisions of the Internal Revenue Code of 1986, as amended, or purport to summarize such counsel's opinion regarding the Bonds, are, as of such dates, correct in all material respects. In addition, based upon such counsel's examination of the proceedings of the Commonwealth in connection with their opinion as to the validity of the Bonds and their participation in the preparation of the Preliminary Official Statement and the Official Statement, as described in such opinion,

and although they are not passing upon and do not assume any responsibility for the accuracy or completeness of the statements contained in the Preliminary Official Statement and the Official Statement except for the information referred to above, nothing has come to the attention of such counsel that led them to believe that the information contained in the Preliminary Official Statement as of its date and as of the date hereof, or in the Official Statement as of its date, and as of the date of any amendment or supplement thereto between the date hereof and the date of Closing, and as of the date of Closing (except for the financial and statistical data included therein, the public offering prices (or yields) of the Bonds on the inside cover page thereof, the stabilization clause, the information contained therein under the headings "BOOK-ENTRY-ONLY SYSTEM," "RATINGS," "UNDERWRITING," and in any other document specifically referenced therein, including Appendices A and C to the Preliminary Official Statement and Appendices A and C to the Official Statement, and the information in the Information Statement and the exhibits to the Information Statement, as to all of which they need express no opinion) contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

- (6) The opinion of Disclosure Counsel, dated the date of the Closing and addressed to the Treasurer, the A&F Secretary and the Representative, as representative of the Underwriters, to the effect that, based upon their participation in the preparation of the Information Statement, and although they are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Information Statement (and except for the financial and statistical data included in the Information Statement, the information contained in the exhibits to the Information Statement and references to such information in the Information Statement, as to all of which no opinion need be expressed), no facts have come to the attention of such counsel which would lead them to believe that the Information Statement, as of its date, as of the date hereof, and as supplemented and amended as required at all times subsequent thereto up to and including the date of Closing, as of the date of each such amendment or supplement, and as of the date of the opinion, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statement therein, in light of the circumstances under which they were made, not misleading;
- (7) The opinion of McCarter & English, LLP, counsel to the Underwriters ("Counsel to the Underwriters"), to the effect that:
 - (i) the Bonds are exempt securities within the meaning of Section 3(a)(2) of the Securities Act and Section 304(a)(4) of the Trust

Indenture Act, and it is not necessary in connection with the sale of the Bonds to the public to register the Bonds under the Securities Act or to qualify any indenture under the Trust Indenture Act; and

- (ii) based upon their review of the Preliminary Official Statement and review and participation in the preparation of the Official Statement as Counsel to the Underwriters, which participation and review was not intended to enable them to pass upon the accuracy or completeness of the statements contained in the Preliminary Official Statement or the Official Statement and although they are not passing upon and do not assume any responsibility for the accuracy or completeness of the statements contained in the Preliminary Official Statement or the Official Statement (and except for the financial and statistical data included therein, the statements and information contained on the cover and inside cover page thereof, including the sections comprising the summary tax opinion of Bond Counsel, the public offering prices (or yields) of the Bonds and the information contained under the headings "BOOK-ENTRY-ONLY SYSTEM" "UNDERWRITING" and "TAX EXEMPTION," and the information in the Information Statement and in the exhibits to the Information Statement and in the appendices to the Official Statement, as to which they need express no opinion), no facts have come to the attention of such counsel which would lead them to believe that the Preliminary Official Statement, as of its date and as of the date hereof, or the Official Statement as of its date, as of the date of any amendment or supplement thereto between the date thereof and the Closing, and as of the date of the Closing, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;
- (8) A certificate signed by the Treasurer, dated the date of Closing (i) setting forth facts, estimates and circumstances in existence on the date of Closing, which facts, estimates and circumstances shall be set forth therein, sufficient to support the conclusion that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and the regulations, temporary regulations and proposed regulations under that Section, and (ii) stating that, to the best of the knowledge and belief of such officer, there are no other facts, estimates or circumstances that would materially affect such expectations;
- (9) A certificate, dated the date of Closing, of the Treasurer as to the delivery of the Bonds and receipt of payment therefor;

- (10) A memorandum from Counsel to the Underwriters addressed to the Underwriters indicating the jurisdictions in which the Bonds have been qualified or are exempt from qualification or registration under the securities laws of the various states requested by the Underwriters;
- (11) A copy of the Blanket Issuer Letter of Representations between the Commonwealth and DTC;
- (12) A completed and executed Form 8038-G relating to the Bonds;
- (13) A copy of a transcript of all proceedings relating to the authorization and issuance of the Bonds; and
- (14) Such additional legal opinions, signature, delivery and other certificates, and other instruments and documents as the Underwriters, Counsel to the Underwriters, Bond Counsel or Disclosure Counsel may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the representations and warranties of the Commonwealth contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the Commonwealth.

All the disclosure materials, agreements, and opinions, letters, certificates, instruments and other documents mentioned in this Bond Purchase Agreement shall be in form and substance satisfactory to Bond Counsel and to Counsel to the Underwriters.

7. If the Commonwealth shall fail to deliver the Bonds on the date of Closing or shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Bond Purchase Agreement or if the obligations of the Underwriters shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriters nor the Commonwealth shall be under further obligation hereunder except that the respective obligations of the Commonwealth and the Underwriters set forth in Paragraph 10 hereof shall continue in full force and effect.

8. If after the Closing and during the period ending on the date which is twenty-five (25) days following the "end of the underwriting period," as such term is used in paragraph (e)(2) of Rule 15c2-12 (the "End of the Underwriting Period"), any event affecting the Commonwealth or the Bonds shall occur of which the Commonwealth has actual knowledge which, in the opinion of the Commonwealth or the Representative, would cause the Official Statement to contain an untrue statement of material fact or omit to state a material fact necessary in order to make the statements made therein in the light of the circumstances existing at the time it is delivered to a purchaser not misleading, the Commonwealth will cooperate with the Representative and, at the written request of the Representative, forthwith prepare and furnish to the Representative, at the expense of the Commonwealth a reasonable number of copies of an Official Statement amendment or supplement (in form and substance satisfactory to the Representative) which will amend or supplement the Official Statement so that it will not

contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading. For purposes of and during the period of time provided by this paragraph, the Commonwealth will furnish such information as the Representative may from time to time reasonably request.

9. At the Closing, contemporaneously with the receipt of the Bonds, the Underwriters will deliver to the Commonwealth a receipt therefor, in form satisfactory to Bond Counsel, signed by the Representative, on behalf of the Underwriters.

10. Except as provided in the following sentence, the Underwriters shall be under no obligation to pay, and the Commonwealth shall pay, all expenses incident to the performance of the Commonwealth's obligations hereunder, including but not limited to: (i) the cost of the preparation, typesetting, composition, printing and delivery of the Preliminary Official Statement and the Official Statement; (ii) fees and disbursements of Bond Counsel; (iii) fees and disbursements of Disclosure Counsel; (iv) fees for bond ratings; (v) fees and disbursements of the Commonwealth's advisers and of any other experts or consultants retained by the Commonwealth; and (vi) all advertising expenses in connection with the public offering of the Bonds (except for advertising expenses that the Underwriters have agreed in writing to pay). The Underwriters shall pay all other expenses incurred by it in connection with the public offering and distribution of the Bonds, including the fees and disbursements of Counsel to the Underwriters.

11. The Commonwealth agrees to furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and to provide for the continuance of such qualification; provided, however, that the Commonwealth will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any state.

12. None of the Commonwealth, the Underwriters, or any of their respective officers, agents or employees, shall be charged personally by the Underwriters or the Commonwealth, as applicable, with any liability, or be held liable to the Underwriters or the Commonwealth, as applicable, under any term or provision of this Bond Purchase Agreement, or because of its execution or attempted execution, or because of any breach, or attempted or alleged breach, thereof.

13. The Commonwealth acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the Commonwealth and the Underwriters, (ii) in connection with such transaction, each Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Commonwealth, (iii) the Underwriters have not assumed (individually or collectively) a fiduciary responsibility in favor of the Commonwealth with respect to the offering of the Bonds or the process leading thereto (whether or not any Underwriter, or any affiliate of an Underwriter, has advised or is currently advising the Commonwealth on other matters) or any other obligation to the Commonwealth except the obligations expressly set forth in this Bond

Purchase Agreement and (iv) the Commonwealth has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

14. Any notice to be given to the Commonwealth hereunder may be given by delivering the same to The Honorable Steven Grossman, Treasurer and Receiver-General of The Commonwealth of Massachusetts, State House, Boston, Massachusetts 02133, with a copy to the Secretary of Administration and Finance, Executive Office for Administration and Finance, at the same address, and any such notice to be given to the Underwriters may be given by delivering the same to J.P. Morgan Securities LLC, 50 Rowes Wharf, 4th Floor, Boston, Massachusetts 02110, Attention: James Oppedisano, facsimile: 617.607.9223.

15. This Bond Purchase Agreement is made solely for the benefit of the Commonwealth and the Underwriters (including the successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the Commonwealth's representations, warranties and agreements contained in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriters or (ii) delivery of and payment for the Bonds hereunder.

16. This Bond Purchase Agreement may be executed in counterparts, each of which shall be issued as original, all of which together shall constitute the same instrument. When each party hereto has signed one copy of such counterparts, this Bond Purchase Agreement shall be in effect.

17. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the Commonwealth.

Very truly yours,

J.P. MORGAN SECURITIES LLC, as Representative
of the Underwriters

J.P. Morgan Securities LLC
Merrill Lynch, Pierce, Fenner & Smith Incorporated
Barclays Capital
Citigroup Global Markets Inc.
Fidelity Capital Markets Services
Jefferies & Company, Inc.
Morgan Stanley & Co. Incorporated
Samuel A. Ramirez & Company, Inc.
Siebert Brandford Shank & Co., LLC

[Signatures on next page]

By: J.P. MORGAN SECURITIES LLC, as
Representative of the Underwriters

By: James J. O'Connell
Duly Authorized

Accepted:

THE COMMONWEALTH OF MASSACHUSETTS

By: _____
Steven Grossman, Treasurer and Receiver-General

Approved:


By: _____
Deval L. Patrick, Governor

By: J.P. MORGAN SECURITIES LLC, as
Representative of the Underwriters

By _____
Duly Authorized

Accepted:

THE COMMONWEALTH OF MASSACHUSETTS

By: 
Steven Grossman, Treasurer and Receiver-General

Approved:

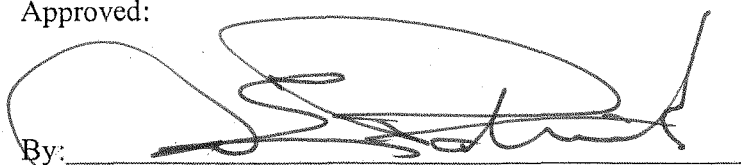
By: 
Deval L. Patrick, Governor

EXHIBIT A

PURCHASE PRICE OF THE BONDS

Aggregate principal amount of the Bonds	\$469,635,000.00
Plus aggregate net premium	50,363,330.75
Less Underwriters' discount	(2,030,907.24)
Purchase Price of the Bonds	<u>\$517,967,423.51</u>

\$462,840,000 Series B

Maturity (August 1)	Principal Amount	Interest Rate	Price	Yield
2012	\$50,970,000	3.000%	103.213%	0.240%
2013	3,375,000	2.000	103.184	0.520
2013	2,550,000	3.000	105.335	0.520
2013	49,410,000	4.000	107.487	0.520
2014	4,395,000	2.000	103.299	0.940
2014	975,000	3.000	106.411	0.940
2014	23,250,000	5.000	112.636	0.940
2015	4,300,000	2.000	102.952	1.270
2015	3,425,000	3.000	106.998	1.270
2015	34,275,000	5.000	115.089	1.270
2016	4,920,000	2.000	102.677	1.460
2016	1,620,000	3.000	107.635	1.460
2016	14,725,000	5.000	117.553	1.460
2017	4,410,000	3.000	106.671	1.850
2017	5,395,000	4.000	112.473	1.850
2017	43,195,000	5.000	118.275	1.850
2018	5,455,000	3.000	105.275	2.200
2018	3,790,000	4.000	111.871	2.200
2018	22,155,000	5.000	118.468	2.200
2019	2,535,000	3.000	103.820	2.480
2019	5,945,000	4.000	111.171	2.480
2019	21,520,000	5.000	118.522	2.480
2020	3,050,000	3.000	102.174	2.730
2020	3,885,000	4.000	110.234	2.730
2020	23,065,000	5.000	118.295	2.730
2021	6,695,000	3.000	100.236 ^C	2.970 ^C
2021	2,015,000	3.500	104.223 ^C	2.970 ^C
2021	16,290,000	5.000	116.181 ^C	2.970 ^C
2022	10,075,000	3.000	98.594	3.150

2022	625,000	3.500	102.764 ^C	3.150 ^C
2022	14,300,000	5.000	114.626 ^C	3.150 ^C
2023	7,265,000	3.250	99.301	3.320
2023	530,000	4.000	105.575 ^C	3.290 ^C
2023	17,205,000	5.000	113.433 ^C	3.290 ^C
2024	5,860,000	3.375	98.687	3.500
2024	1,055,000	4.000	104.127 ^C	3.470 ^C
2024	5,085,000	5.000	112.171 ^C	3.440 ^C
2025	6,580,000	3.500	98.240	3.660
2025	885,000	4.000	102.859 ^C	3.630 ^C
2025	25,785,000	5.000	110.926 ^C	3.590 ^C

^C Price and yield are computed to the first optional redemption date of August 1, 2020

First Interest Payment Date February 1, 2012

\$6,795,000 Series C (BuildMassBonds)

Maturity (February 1)	Principal Amount	Interest Rate	Price	Yield
2014	\$6,795,000	--	97.530%	0.940%

THE COMMONWEALTH OF MASSACHUSETTS

CERTIFICATE OF THE GOVERNOR, TREASURER AND
RECEIVER-GENERAL AND SECRETARY

Re: \$469,635,000 The Commonwealth of Massachusetts General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B and \$6,795,000 Series C (BuildMassBonds) (collectively, the “Bonds”)

We, the undersigned, the Governor and the Treasurer and Receiver-General of The Commonwealth of Massachusetts (the “Commonwealth”), respectively, hereby certify as follows:

1. Our signatures, affixed below are set forth hereon to identify the facsimile signature which the Governor has caused to be affixed and the signature which the Treasurer and Receiver-General has affixed to each Bond. Each Bond bears a facsimile of the seal of the Commonwealth, which seal also is affixed hereto.
2. The Bonds have been awarded to J.P. Morgan Securities LLC, as representative of the underwriters, on the terms set forth in the Bond Purchase Agreement dated May 24, 2011.
3. The forms, dates, maturities, interest rates, redemption prices and other details of the Bonds are hereby approved.

The remainder of this page intentionally left blank.

IN WITNESS WHEREOF, the undersigned have executed this certificate this 1st day of June, 2011.

A large, stylized handwritten signature in black ink, appearing to read 'Deval Patrick', written over a horizontal line.

Deval L. Patrick
Governor of the Commonwealth

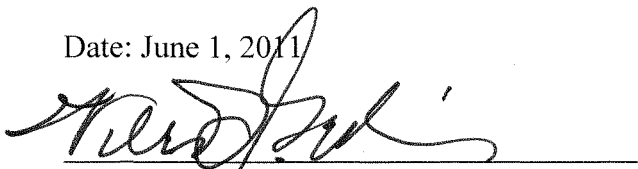
A handwritten signature in black ink, appearing to read 'Steven Grossman', written over a horizontal line.

Steven Grossman
Treasurer and Receiver-General of
the Commonwealth

Date: June 1, 2011

I, the undersigned, the Secretary of the Commonwealth, hereby certify that the signatures of the Governor and Treasurer and Receiver-General of the Commonwealth as appearing above are the genuine signatures of the persons who held said offices when the Bonds were signed and when the Bonds were delivered and that the seal affixed hereto is the genuine seal of the Commonwealth.

Date: June 1, 2011

A handwritten signature in black ink, appearing to read 'William F. Galvin', written over a horizontal line.

William F. Galvin
Secretary of the Commonwealth

**TAX CERTIFICATE AS TO ARBITRAGE AND
THE PROVISIONS OF SECTIONS 103 AND 141-150 OF
THE INTERNAL REVENUE CODE OF 1986**

In connection with the issuance by The Commonwealth of Massachusetts (the **"Commonwealth"**) of its \$469,635,000 General Obligation Bonds, Consolidated Loan of 2011, Series B and C (the **"Bonds"**), and issued pursuant to Section 49 of Chapter 29 of the Massachusetts General Laws, and pursuant to Treasury Regulations Section 1.148-2(b)(2), the Commonwealth makes the following Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Internal Revenue Code of 1986 (the **"Tax Certificate"**). For purposes of this Tax Certificate, all appendices attached hereto have been provided by Bond Counsel to assist the Commonwealth in complying with the covenants contained in Section II of this Tax Certificate.

SECTION I. DEFINITIONS. Capitalized terms used herein, and not otherwise defined herein, have the meanings set forth in Appendix I attached hereto.

SECTION II. REPRESENTATIONS AND COVENANTS.

A. Purposes. The Bonds are being issued on August 26, 2010 (the **"Delivery Date"**) to finance all or a portion of: (1) the expenditures with respect to certain capital project included among those shown on Exhibit C, and (2) the costs of issuing the Bonds (collectively, the **"Project"**).

B. Tax Covenant. In order to maintain the exclusion from gross income for purposes of federal income taxation of interest on the Bonds, the Commonwealth covenants that it shall comply with the provisions of the Code applicable to the Bonds.

C. Single Issue. All of the Bonds will be: (1) sold at substantially the same time (*i.e.*, either 15 days before or after May 24, 2011, the sale date of the Bonds); (2) sold pursuant to the same plan of financing; and (3) reasonably expected to be paid from substantially the same source of funds. Except as provided below, other than the Bonds, no other governmental obligations will be: (1) sold at substantially the same time as the Bonds (*i.e.*, either 15 days before or after May 24, 2011, the sale date of the Bonds); (2) sold pursuant to the same plan of financing with the Bonds; and (3) reasonably expected to be paid from substantially the same source of funds as will be used to pay the Bonds.

D. No Replacement; Average Maturity. No portion of the amounts received from the sale of the Bonds will be used as a substitute for other funds which were otherwise to be used as a source of financing the Project and which have been or will be used to acquire, directly or indirectly, Investment Property producing a yield in excess of the Bond Yield. The Commonwealth does not reasonably expect as of the Delivery Date that the term of the Bonds will be longer than is reasonably necessary for the governmental purposes of the Bonds set forth in Section II.A. above. The weighted average maturity of the Bonds (6.6616 years) does not exceed 120 percent of the remaining average reasonably expected economic life of the Project.

E. Bonds Not Hedge Bonds. The Commonwealth reasonably expects that more than 85% of the Spendable Proceeds of the Bonds will be expended for the governmental purposes of such issue on or before the date three years after the date hereof. In determining such expectations, the Commonwealth has not taken into account any expectations as to changes in interest rates or in provisions of the Code (or in the regulations and rulings thereunder). Not more than 50% of the proceeds of the Bonds will be invested in Nonpurpose Investments having a substantially guaranteed yield for 4 years or more. See Exhibit D.

F. Post-Issuance Compliance Procedures. The Commonwealth understands that compliance with the covenants and representations contained in this Tax Certificate after the Delivery Date and while the Bonds are outstanding is necessary to maintain the exclusion of interest on the Bonds from gross income for purposes of Federal income taxation. The Commonwealth has promulgated Policies & Procedures for Post-Issuance Tax-Exempt Bond Compliance, dated May 26, 2009. The Bonds shall be governed by such procedures, as amended from time to time, to the extent applicable and otherwise shall be governed by the procedures set forth in this Tax Certificate. In the event that a deliberate action occurs which would cause the Bonds to be treated as "private activity bonds" under Section 141 of the Code or otherwise fail to qualify as bonds described in Section 103 of the Code, the treasury of the Commonwealth (the "**State Treasurer**") will consult with Bond Counsel and take steps to ensure that all nonqualified bonds are remediated in accordance with the requirements of Code and Treasury Regulations.

G. Statement as to Facts, Estimates and Circumstances. The facts and estimates set forth in this Tax Certificate on which the Commonwealth's expectations as to the amount and use of the Gross Proceeds of the Bonds are based are made to the best of the knowledge and belief of the undersigned officers of the Commonwealth, and the Commonwealth's expectations are reasonable.

H. Responsible Person. The undersigned are officers of the Commonwealth responsible for the issuance of the Bonds, and have made due inquiry with respect to the matters set forth herein.

SECTION III. REASONABLE EXPECTATIONS OF THE COMMONWEALTH AS TO FACTS, ESTIMATES AND CIRCUMSTANCES. The Commonwealth makes the following representations and statements of fact and expectation on the basis of which it is not expected that the proceeds of the Bonds will be used in a manner that will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code:

A. Application of Sale Proceeds.

1. Sale Proceeds; No Overissuance. The net amount received by the Commonwealth from the sale of the Bonds (the "**Sale Proceeds**") will be \$519,998,330.75, which is equal to the principal amount of the Bonds (\$469,635,000.00), plus net premium of \$50,363,330.75. The Sale Proceeds and the investment earnings thereon do not exceed the amount necessary for the purpose set forth in Section II.a.

2. Project Fund. An amount of Sale Proceeds equal to \$517,967,423.51 will be deposited in a segregated account (the "**Project Fund**"), and used to provide for costs of the Project.

3. Costs of Issuance. An amount of Sale Proceeds equal to \$2,030,907.24 will be used to pay underwriters' discount for the Bonds. The remaining Costs of Issuance will be paid with funds of the Commonwealth other than Proceeds of the Bonds.

B. Investment Proceeds.

1. General Fund—Debt Service Portion. Investment earnings on amounts in the Debt Service Portion of the General Fund (as defined below) will be retained therein and used for the purposes of the fund.

2. Project Fund. Investment earnings on amounts in the Project Fund will be used to pay costs of the Project (other than Costs of Issuance).

C. Funds and Accounts of the Commonwealth.

1. **General Fund.** A portion of the Commonwealth's General Fund (the "**Debt Service Portion**") will be used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year and will be depleted at least annually, except for a reasonable carryover amount not to exceed the greater of (i) the earnings on amounts in such funds for the immediately preceding Bond Year; or (ii) one-twelfth of the principal and interest payments on the Bonds for the immediately preceding Bond Year. Amounts deposited in the Debt Service Portion (other than any reasonable carryover amount permitted under the preceding sentence) will be used to pay debt service on the Bonds within a 13-month period beginning on the date of deposit therein.

2. **The Project.** The Commonwealth reasonably expects that:

a. **Expenditure Test.** At least 85 percent of the Net Sale Proceeds from the Bonds will be allocated to expenditures for the Project by June 1, 2014.

b. **Time Test.** Within six months of the Delivery Date, the Commonwealth will expend or enter into substantially binding obligations with third parties obligating the Commonwealth to expend at least five percent of the Net Sale Proceeds from the Bonds for the Project.

c. **Due Diligence Test.** The Commonwealth will proceed with due diligence to the completion of the Project and the allocation of the Net Sale Proceeds from the Bonds to expenditures.

3. **No Other Funds.** Other than the Funds specifically described in this Tax Certificate, no Fund or Account which secures or otherwise relates to the Bonds has been established, nor are any Funds or Accounts expected to be established, pursuant to any instrument. Furthermore, there are no other funds or accounts from which the amounts deposited therein will be reasonably expected to be used to pay debt service on the Bonds or as to which there is a reasonable assurance that amounts on deposit therein will be available to pay debt service on the Bonds in the event that the Commonwealth encounters financial difficulties, including any amount held under an agreement to maintain the amount at a particular level for the direct or indirect benefit of the bondholders or a guarantor of the Bonds

D. Reimbursement. All or a portion of the Proceeds of the Bonds deposited into the Project Fund, and not used to pay the costs of issuing the Bonds, will be used to reimburse the Commonwealth for Project expenditures that were paid prior to the Delivery Date. Except for "preliminary expenditures" (within the meaning of Treasury Regulation Section 1.150-2(f)(2)) or an amount not in excess of \$100,000, all of the expenditures to be reimbursed were paid no earlier than 60 days before the date the Commonwealth passed its declaration of intent to reimburse an original expenditure with proceeds of an obligation. For this purpose, the declaration of intent includes (1) the legislative authorization for the issuance of obligations for the Project, and (2) expressions of official intent by the Comptroller of the Commonwealth. Except for preliminary expenditures or an amount not in excess of \$100,000, the reimbursement allocation is being made not later than 18 months after the later of (1) the date the original expenditures were paid; or (2) the date the Project is placed in service or abandoned, but in no event more than three years after the original expenditures were paid. All of the amounts to be reimbursed are Capital Expenditures or Costs of Issuance. Other than amounts deposited into a bona fide debt service fund (as defined in Treasury Regulation Section 1.148-1), funds corresponding to the reimbursed amounts will not be used, within 1 year after the allocation, in a manner that results in the creation of Replacement

Proceeds of the Bonds or another issue of bonds. To the extent a reimbursement allocation is made within 30 days after the Delivery Date, the related proceeds shall be treated as made on the Delivery Date. See Exhibit E for an example of a certificate of the Comptroller with expenditures to be reimbursed.

E. Yield.

1. Bond Yield.

a. General. The yield on the Bonds is the discount rate that, when used in computing the present value on the Delivery Date of all the expected payments of principal and interest and fees for qualified guarantees that are paid and to be paid on the Bonds, produces an amount equal to the present value, using the same discount rate, of the aggregate issue price of the Bonds on the Delivery Date.

b. Issue Price. Based on the representations of J.P. Morgan Securities LLC, as representative of the underwriters (the “**Underwriter**”), as of the Delivery Date of the aggregate issue price of the Bonds is \$519,998,330.75 (the face amount of the Bonds (\$469,635,000.00), plus net original issue premium (\$50,363,330.75)). See Exhibit A.

c. Qualified Hedges. The Commonwealth has not and does not expect to enter into any “hedge” (within the meaning of Treasury Regulation Section 1.148-4(h)(2)(i)) with respect to the Bonds. The Commonwealth will not enter into any hedges with respect to the Bonds without an opinion of Bond Counsel that such hedge will not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes.

d. Callable Premium Bonds. The Bonds listed below (the “**Callable Premium Bonds**”) are subject to optional early redemption and were sold at an issue price that exceeds the stated redemption price at maturity by more than $\frac{1}{4}$ of 1 percent multiplied by the product of the stated redemption price at maturity and the number of complete years to the first optional redemption date for the Callable Premium Bonds. In accordance with Treasury Regulation Section 1.148-4(b)(3), the yield on the Bonds has been calculated by treating the Callable Premium Bonds as redeemed on the call date that produces the lowest yield on the Bonds. Accordingly, the yield on the Bonds was calculated by treating each of the Callable Premium Bonds as redeemed on August 1, 2020 at par.

<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>
08/01/2021	\$2,015,000	3.500%	2.970%	104.223
08/01/2022	\$625,000	3.500%	3.150%	102.764
08/01/2023	\$530,000	4.000%	3.290%	105.575
08/01/2024	\$1,055,000	4.000%	3.470%	104.127
08/01/2025	\$885,000	4.000%	3.630%	102.859
08/01/2021	\$16,290,000	5.000%	2.970%	116.181
08/01/2022	\$14,300,000	5.000%	3.150%	114.626
08/01/2023	\$17,205,000	5.000%	3.290%	113.433
08/01/2024	\$5,085,000	5.000%	3.470%	112.171
08/01/2025	\$25,875,000	5.000%	3.630%	110.926

e. Yield. Based upon calculations provided by Underwriter, and attached as Exhibit D, the yield on the issue is not less than 2.4241144 percent. See Exhibit D.

2. Expectations Regarding Yield Limitations. The Commonwealth has been advised by Bond Counsel that the following yield restrictions and rebate requirements shall apply to the Bonds.

Fund or Account	Period of Unrestricted Investment	Materially Higher Yield Spread	Excepted From Rebate (Y)/(N)
Project Fund	3 Years	Bond Yield plus 1/8 of 1 percentage point*	N**
Debt Service Portion of General Fund	13 months	Bond Yield plus 1/1000 of 1 percentage point	Y**
Replacement Proceeds Other Than Debt Service Portion	30 days	Bond Yield plus 1/1000 of 1 percentage point	N
Investment Proceeds: Project Fund	Greater of 3 years from issue date or 1 year from receipt	Bond Yield plus 1/8 of 1 percentage point*	N
Investment Proceeds: Debt Service Portion	1 year from receipt	Bond Yield plus 1/1000 of 1 percentage point*	N

* In the event that any Gross Proceeds are subject to a materially higher yield spread of the Bond Yield plus 1/8 of 1 percentage point and any other Gross Proceeds are subject to materially higher yield spread of the Bond Yield plus 1/1000 of 1 percentage point, then all of the Gross Proceeds are subject to a materially higher yield spread of the Bond Yield plus 1/1000 of one percent.

** See Appendix II and V.

SECTION IV. REBATE REQUIREMENT, CALCULATION AND PAYMENT. The Commonwealth shall comply with the Rebate Requirement of Section 148(f) of the Code. The Rebate Requirement is summarized in Appendix II. The regulations provide various spending exceptions to the Rebate Requirement which provide generally that if certain spenddown and other requirements are satisfied earnings on certain proceeds are excepted from the Rebate Requirement. The spending exceptions to the Rebate Requirement are described in Appendix V.

A. Two-Year Construction Expectation - Elections.

1. For the purposes of determining compliance with the two-year construction exception, an election can be made, with respect to the provisions that are based on the Commonwealth's reasonable expectations, to apply all of those provisions based on actual facts. **THE COMMONWEALTH HEREBY DOES NOT MAKE THIS ELECTION.**

2. Where the expenditure requirements are not met, the Commonwealth may elect to be subject to a penalty in lieu of being subject to the rebate rules. The penalty is the product of one and one-half percent and underexpended proceeds as of the end of each spending period. For each spending period, underexpended proceeds is the difference between the Available Construction Proceeds spent and the Available Construction Proceeds required to be spent according to the expenditure schedule. The penalty is to be calculated and paid for each spending period until the Bonds and any bonds issued to refund the Bonds are repaid. The penalty must be remitted within 90 days of the end of the spending

period to which is related. **THE COMMONWEALTH HEREBY DOES NOT MAKE THIS ELECTION. THEREFORE, IN NO EVENT WILL THE COMMONWEALTH PAY THE 1.5 PERCENT PENALTY IN LIEU OF REBATE.**

B. Investment Proceeds. The amount of the reasonably expected earnings from the investment of the Sale Proceeds of the Bonds is approximately \$621,560.91, which amount is based on the conservative assumption that all of the Proceeds of the Bonds, other than underwriter's discount, are expended on the date that is 6 months from the delivery date, and an estimated earnings rate of 0.24%, which is the overnight rate on the Massachusetts Municipal Depository Trust on the Delivery Date.

SECTION V. ALLOCATION AND ACCOUNTING RULES. The Commonwealth has covenanted to comply with this Tax Certificate which includes the allocation and accounting rules described in Appendix III for purposes of allocating Gross Proceeds to the Bonds, allocating Gross Proceeds to investments, and allocating Gross Proceeds to expenditures. For example, the Commonwealth understands that the allocation of Proceeds to expenditures may be done on a specific tracing method, a "gross-proceeds-spent-first" method, a "first-in-first-out" method or a "ratable allocation" method, so long as the method used is consistently applied and that the allocation and accounting rules are described summarily in Appendix III. As described in Appendix III, the Commonwealth will account for the allocation of Proceeds to expenditures not later than the earliest of (A) 18 months after the later of (1) the date the expenditure is paid, or (2) the date the Project is placed in service, or (B) by the date 60 days after the fifth anniversary of the Delivery Date or the date 60 days after the retirement of the Bonds, if earlier.

The Commonwealth spends money for capital projects from its General Fund and then repays the General Fund from bond proceeds pursuant to a formal allocation by the Treasurer of the Commonwealth. Amounts shown in the column labeled "Net Liquid Assets" on Exhibit C represent amounts expended to date from funds of the Commonwealth, which expenditures may be reimbursed on or after the date hereof from Proceeds of the Bonds. Prior to making any allocations of Proceeds, the Commonwealth will request Bond Counsel to confirm that the proposed allocations (and the statutory authorizations) only cover Capital Expenditures and that the expenditures of Proceeds are otherwise expected to comply with the requirements of this Tax Certificate.

SECTION VI. PROHIBITED INVESTMENTS AND DISPOSITIONS. The Commonwealth has been advised by Bond Counsel that upon the purchase or sale of a Nonpurpose Investment, Gross Proceeds of an issue are not allocated to a payment for that Nonpurpose Investment in an amount greater than, or to a receipt from that Nonpurpose Investment in an amount less than, the fair market value of the Nonpurpose Investment as of the purchase or sale date. The fair market value of a Nonpurpose Investment is adjusted to take into account Qualified Administrative Costs allocable to the investment. Thus, Qualified Administrative Costs increase the payments for, or decrease the receipts from, a Nonpurpose Investment. The Commonwealth shall comply with the requirements contained in Appendix IV.

SECTION VII. NO FEDERAL GUARANTEE. The Bonds are not federally guaranteed within the meaning of section 149(b) of the Code. A bond will be federally guaranteed if (A) the payment of principal or interest with respect to such bond is guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), (B) such bond is issued as part of an issue and 5 percent or more of the proceeds of such issue is to be (i) used in making loans the payment of principal or interest with respect to which are to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), or (ii) invested (directly or indirectly) in federally insured deposits or accounts, or (C) the payment of principal or interest on such bond is otherwise indirectly guaranteed (in whole or in part) by the United States (or an agency or instrumentality thereof). Notwithstanding the foregoing, the Issuer may invest the Proceeds of the Bonds in any investment guaranteed by the following agencies of

the United States: (a) the Federal Housing Administration; (b) the Veterans Administration; (c) the Federal National Mortgage Association; (d) the Federal Home Loan Mortgage Corporation; and (e) the Government National Mortgage Association. Moreover, the Issuer may invest the Proceeds of the Bonds (a) during an initial temporary period until such proceeds are needed for the purpose for which the Bonds were issued; (b) in a bona fide debt service fund; (c) in a reasonably required reserve or replacement fund; (d) in obligations issued by the United States Treasury; (e) in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank Act, as amended by Section 511(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, or any successor provision; or (f) in a refunding escrow.

SECTION VIII. RESTRICTIONS ON NONGOVERNMENTAL USE AND USE TO MAKE LOANS.

A. In General. No portion of the proceeds of the Bonds will be used in such a manner that:

1. An amount exceeding the lesser of \$15 million or 10 percent of the proceeds of the Bonds (5 percent in the case of private business use either unrelated or related but disproportionate to the governmental use of the proceeds of the Bonds) is to be used in a trade or business of a person or persons other than a state or local governmental unit ("**Private Business Use**"), unless the private security or payments with respect to any Private Business Use of the proceeds of the Bonds ("**Private Security or Payments**"), in the aggregate, does not exceed the lesser of \$15 million or 10 percent of the proceeds of the Bonds (5 percent for Private Business Use that is either unrelated or disproportionate to the governmental use of the proceeds of the Bonds); and

2. An amount exceeding the lesser of five percent or \$5 million of the proceeds of the Bonds will be used to make or finance loans to persons other than state or local governmental units ("**Private Loans**").

B. Rules of Application. The rules described in paragraph A. are referred to as the "**Private Activity Bond Limitations.**" The Commonwealth will not permit any additional Private Business Use or Private Loans with respect to the proceeds of the Bonds unless an opinion of Bond Counsel is obtained prior to such use or loans that the exclusion from gross income of interest on the Bonds will not be adversely affected by such use or loans. The Private Activity Bond Limitations are imposed individually against each issue of bonds without regard to the use of proceeds of any other issue of outstanding bonds. The Commonwealth understands from discussions with Bond Counsel that in applying the Private Activity Bond Limitations it must take into account both its reasonable expectations as of the date hereof regarding the expected uses of the proceeds of the Bonds (and the facilities financed with such proceeds) throughout the stated term of the Bonds (that is, until the final stated maturity date) as well as any deliberate actions that may occur during the term of the Bonds (without regard to those reasonable expectations).

C. Private Business Use. Any activity carried on by a person other than a natural person is treated as a trade or business. Both actual and beneficial use by a nongovernmental person may be treated as Private Business Use. In most cases, there is Private Business Use only if a nongovernmental person has "special legal entitlements" to use the financed property under an arrangement with the issuer. In general, a nongovernmental person is treated as a private business user of proceeds and financed property as a result of ownership; actual or beneficial use of property pursuant to a lease, or a management or incentive payment contract; or certain other arrangements such as a take or pay or other output-type contract. Use as a member of the general public is not Private Business Use. With respect to property that is not available for use by the general public, Private Business Use may be established on the basis

of a "special economic benefit" to one or more nongovernmental persons, even if they have no special legal entitlements to use of the property. Appendices VI and VII set forth guidelines for management or service contracts and certain other uses that will not constitute Private Business Use.

SECTION IX. INFORMATION REPORTING. The Commonwealth has reviewed the Internal Revenue Service Form 8038-G to be filed in connection with the issuance of the Bonds, a copy of which is attached hereto as Exhibit B, and all of the information contained therein is, to the best of the Commonwealth's knowledge, true and complete.

SECTION X. BONDS ISSUED IN REGISTERED FORM. In accordance with Section 149(a) of the Code, the Bonds are being issued in registered form.

SECTION XI. NOT POOLED FINANCING BONDS. No proceeds of the Bonds will be used to make or finance loans within the meaning of Section 149(f) of the Code.

SECTION XII. SALE OF PROJECT. The Commonwealth does not intend to sell or otherwise dispose of the Project or any portion thereof during the term of the Bonds except for dispositions of property in the normal course at the end of such property's useful life.

SECTION XIII. RECORD KEEPING. The Commonwealth covenants to maintain records to support the representations, certifications and expectations set forth in this Tax Certificate until the date six (6) years after the last of the Bonds will be retired, and if any of the Bonds are refunded with the proceeds of tax-exempt obligations other than the Bonds ("**Refunding Obligations**"), the date six (6) years after the last of the Refunding Obligations will be retired. The records that must be retained include, but are not limited to:

- A. Basic records and documents relating to the Bonds;
- B. Documentation evidencing the expenditure of Bond proceeds;
- C. Documentation evidencing the use of a project by public and private sources (i.e., copies of management contracts, research agreements, leases);
- D. Documentation evidencing all sources of payment or security for the Bonds;
- E. Documentation evidencing compliance with the timing and allocation of expenditures of Bond proceeds;
- F. Documentation pertaining to any investment of Bond proceeds (including the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts, and rebate calculations);
- G. Records of all amounts paid to the United States pursuant to Section IV above.


SECTION XIV. AMENDMENTS. This Tax Certificate sets forth the information, representations, and procedures necessary in order for Bond Counsel to render its opinion regarding the exclusion of interest on the Bonds from gross income for purposes of Federal income taxation and may be amended or supplemented from time to time to maintain such exclusion only with the approval of Bond Counsel.

Notwithstanding any other provision herein, the covenants and obligations contained herein may be and shall be deemed modified to the extent the Commonwealth secures an opinion of Bond Counsel that any action required hereunder is no longer required or that some further action is required in order to maintain the exclusion of interest on the Bonds from gross income for purposes of Federal income taxation.

SECTION XV. SUPPLEMENTATION OF THIS TAX CERTIFICATE. We have been advised by Bond Counsel that we should seek, and they will provide, periodically advice as to the propriety of requesting the review of and supplements to this Tax Certificate.

Dated: June 1, 2011

COMMONWEALTH OF MASSACHUSETTS

By: 
Steven Grossman
Treasurer and Receiver-General

[Signature page to the Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Internal Revenue Code of 1986—2011B/C]

Exhibit A

Initial Issue Price Certificate

The Commonwealth of Massachusetts
Boston, Massachusetts

Nixon Peabody LLP
Boston, Massachusetts

Re: \$469,635,000 The Commonwealth of Massachusetts General Obligation Bonds, Consolidated
Loan of 2011, Series B and C

Ladies and Gentlemen:

We have served as the representative of the underwriters in connection with the issuance by The Commonwealth of Massachusetts (the “**Commonwealth**”) of its \$469,635,000 General Obligation Bonds, Consolidated Loan of 2011, Series B and C (the “**Bonds**”). We hereby certify as follows:

a. Based on our records and other information available to us which we have no reason to believe is not correct, all of the Bonds have been the subject of a bona fide initial offering to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at prices no higher than, or yields no lower than, those shown on the inside cover of the Official Statement of the Commonwealth dated May 24, 2011 relating to the Bonds (the “**Official Statement**”).

b. Based on our records and other information available to us which we have no reason to believe is incorrect, at least 10 percent of each maturity of the Bonds was first sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at initial offering prices no higher than, or yields no lower than, those shown on the inside cover of the Official Statement.

c. As of the sale date of the Bonds, we reasonably expected to sell each maturity of the Bonds to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at initial offering prices no higher than, or yields no lower than, those shown on the inside cover of the Official Statement.

d. At the time we agreed to purchase the Bonds, based upon then prevailing market conditions, we had no reason to believe any of the Bonds would be initially sold to the public (excluding such bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at prices higher than, or yields lower than, those shown on the inside cover of the Official Statement.

e. The prices at which the Bonds were sold did not exceed the fair market value of such bonds on the sale date of the Bonds.

f. The aggregate of the initial offering prices of the Bonds is \$519,998,330.75.

We understand that Bond Counsel may rely upon this certificate, among other things, in providing an opinion with respect to the exclusion from gross income of the interest on the Bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as amended; provided, however, that nothing herein represents our interpretation of any laws and, in particular, regulations under Section 148 of the Code.

Dated: June 1, 2011

J.P. MORGAN SECURITIES LLC

By: 

Name: Peter Clarke

Title: Managing Director

Exhibit B

Form 8038-G

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority

If Amended Return, check here ☐

1 Issuer's name Commonwealth of Massachusetts		2 Issuer's employer identification number (EIN) 04 6002284	
3 Number and street (or P.O. box if mail is not delivered to street address) Treasurer and Receiver-General, State House		Room/suite 227	4 Report number (For IRS Use Only) 3
5 City, town, or post office, state, and ZIP code Boston, Massachusetts 02133		6 Date of issue June 1, 2011	
7 Name of issue General Obligation Bonds, Consolidated Loan of 2011, Series B and C		8 CUSIP number 57582PYW4; 57582PZT0; 57582PZY9	
9 Name and title of officer of the issuer or other person whom the IRS may call for more information Colin A. MacNaught, Assistant Treasurer		10 Telephone number of officer or other person (617) 367-6900	

Part II	Type of Issue (enter the issue price) See instructions and attach schedule
----------------	---

11	Education		11		
12	Health and hospital		12		
13	Transportation		13		
14	Public safety		14		
15	Environment (including sewage bonds)		15		
16	Housing		16		
17	Utilities		17		
18	Other. Describe ► Various Capital Projects		18	519,998,330	75
19	If obligations are TANs or RANs, check only box 19a	► <input type="checkbox"/>			
	If obligations are BANs, check only box 19b	► <input type="checkbox"/>			
20	If obligations are in the form of a lease or installment sale, check box	► <input type="checkbox"/>			

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	08/01/25	\$ 519,998,330.75	\$ 469,635,000.00	6.6616 years	2.4241 %

Part IV	Uses of Proceeds of Bond Issue (including underwriters' discount)
----------------	--

22	Proceeds used for accrued interest			22	0	00
23	Issue price of entire issue (enter amount from line 21, column (b))			23	519,998,330	75
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	2,030,907	24		
25	Proceeds used for credit enhancement	25	0	00		
26	Proceeds allocated to reasonably required reserve or replacement fund	26	0	00		
27	Proceeds used to currently refund prior issues	27	0	00		
28	Proceeds used to advance refund prior issues	28	0	00		
29	Total (add lines 24 through 28)	29	2,030,907	24		
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	517,967,423	51		

Part V	Description of Refunded Bonds (Complete this part only for refunding bonds.)
---------------	---

31	Enter the remaining weighted average maturity of the bonds to be currently refunded . . .	▶	_____	years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded . . .	▶	_____	years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) . . .	▶	_____	
34	Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)		_____	

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . .	35	0	00
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	0	00
b	Enter the final maturity date of the GIC ► _____			
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	0	00
b	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► <input type="checkbox"/> and enter the name of the issuer ► _____ and the date of the issue ► _____			
38	If the issuer has designated the issue under section 265(b)(3)(B)(i)(iii) (small issuer exception), check box			<input type="checkbox"/>
39	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box			<input type="checkbox"/>
40	If the issuer has identified a hedge, check box			<input type="checkbox"/>

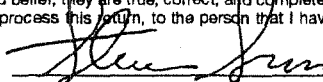

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	 Signature of issuer's authorized representative		5/26/11 Date	
Paid Preparer's Use Only	 Preparer's signature		6/3/11 Date	
	Firm's name (or yours if self-employed), address, and ZIP code Nixon Peabody LLP 401 9th Street NW, Suite 900, Washington, DC 20004		Check if self-employed <input type="checkbox"/>	
	EIN 16 : 0764720		Preparer's SSN or PTIN P01067708	
	Phone no. (202) 585-8000			

Exhibit C
Project Listing

COMMONWEALTH OF MASSACHUSETTS

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BONDS AUTHORIZED AND UNISSUED
 THROUGH PERIOD 11, FY 2011

FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0006	0006	\$0.00	\$0.00	\$0.00	\$371.12	\$0.00
0007	CHILD WELFARE INFOSYS A95C96S5	\$0.00	\$0.00	\$146,309.44	\$146,309.44	\$0.00
0010	WATER POLLUTION CONTROL82	\$0.00	\$0.00	\$0.00	\$20,148,790.73	\$0.00
0011	STATE ARMORY LOAN 1982	\$0.00	\$0.00	\$0.00	\$338,406.62	\$0.00
0013	0013	\$0.00	\$0.00	\$0.00	\$300.00	\$0.00
0026	0026	\$0.00	\$0.00	\$0.00	\$50,000.00	\$0.00
0042	ENERGY CONSERV BD A83C700	\$0.00	\$0.00	\$0.00	\$34,005.67	\$0.00
005C	ACTS OF 1995 CH.263 S.3	\$381,625.66	\$191,106.84	(\$191,199.34)	\$3,515,057.92	\$0.00
0069	PARKING FACIL.LOAN 1980	\$0.00	\$0.00	\$0.00	\$22,779,384.57	\$0.00
007C	ACTS OF 1995 CH.277 S.5	\$1,636,217.56	\$4,972,587.46	(\$3,513,773.86)	\$5,977,842.92	\$0.00
0084	0084	\$0.00	\$0.00	\$511,164.49	\$0.00	\$0.00
0089	CAP.OUTLAY LOAN ACT 1978	\$0.00	\$0.00	(\$85.16)	\$0.00	\$0.00
008C	ACTS OF 1995 CH.277 S.11	\$0.00	\$0.00	(\$5.95)	\$0.00	\$0.00
0090	CAPITAL OUTLAY LOAN 1979	\$0.00	\$0.00	\$0.00	\$21,000.00	\$0.00
0092	CAPITAL OUTLAY LOAN 1980	\$0.00	\$0.00	\$0.00	\$6,328.36	\$0.00
0097	0097	\$0.00	\$0.00	\$0.00	\$1,156,105.00	\$0.00
0099	0099	\$0.00	\$0.00	\$0.00	\$10,000,000.30	\$0.00
0103	0103	\$0.00	\$0.00	\$0.00	\$0.04	\$0.00
010C	ENV.ENH.&OPSP&ACQ&PRESA96C15S3	\$25,136.00	\$73,497.28	(\$103,636.71)	\$883,764.43	\$0.00
0119	GREYLOCK GLEN DEV.LN.1985	\$29,818.14	\$89,247.91	(\$60,003.00)	\$2,684,298.10	\$0.00
011C	ENV ENH&OPSPC&ACQ&PRESA96C15S2	\$0.00	\$1,500,000.00	(\$4,990,395.83)	\$7,303,759.76	\$0.00
0123	CH 123A 06S2BNONTAX	\$970,337.25	\$76,992.53	\$0.00	\$89,470,337.25	\$0.00
0126	DMH CAP OUTLAY A1987 C167 S.5	\$2,781,890.75	\$17,257.05	\$0.00	\$5,470,365.38	\$0.00
0127	CAPITL OUTLAY LN A87 C199 S127	\$0.00	\$0.00	\$0.00	\$175,203.89	\$0.00
0128	CAP OUT REPAIR LA87 C199 S129	\$0.00	\$0.00	(\$2,030.14)	\$0.00	\$0.00
012C	CRIMJUS.YTHSER&PRSEXP.A96C12S3	\$1,150,317.43	\$2,201,777.80	(\$419,010.13)	\$32,048,517.49	\$0.00
0133	HSG PRESV NGHBD DEV A93C494S6	\$8,777,650.29	\$884,505.91	(\$210,355.30)	\$17,284,245.17	\$0.00
013C	SEAPORT REVIL.LOAN A96C28S3	\$0.00	\$0.00	(\$3,495.11)	\$46,167,341.92	\$0.00

COMMONWEALTH OF MASSACHUSETTS

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BONDS AUTHORIZED AND UNISSUED
 THROUGH PERIOD 11, FY 2011

FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0140	TRANSP DEVEL & IMP. A94C273S2D	\$0.00	\$0.00	\$0.00	\$47,818,217.85	\$0.00
0142	TRANSP DEVEL & IMP. A94C273S2G	\$125,470.92	\$109,787.84	(\$79,909.96)	\$2,762,385.98	\$0.00
0144	HI ED CAP.OUTLAY LN A95C267S3	\$1,753,734.53	\$10,381,584.70	(\$6,567,663.39)	\$35,618,902.54	\$0.00
0145	CAP OUT EQP REPLMT A86 C206S77	\$0.00	\$0.00	\$0.00	\$12,595.04	\$0.00
0148	0148	\$0.00	\$0.00	\$0.00	\$0.64	\$0.00
014C	COMM.RAIL.CAP.ENHNCMT A96C28S5	\$0.00	\$0.00	\$0.00	\$35,000,000.00	\$0.00
0150	PUBLIC HOUSING LOAN A87C226S4	\$248,480.00	\$0.00	\$0.00	\$259,972.77	\$0.00
0153	ENERGY CONSERVAIN BD A87C670S3	\$0.00	\$0.00	\$0.00	\$697,408.10	\$0.00
0161	RAIL TRANS LN A88 C15 S27	\$0.00	\$0.00	\$289.76	\$682,392.51	\$0.00
0170	HIGHER ED FACIL LN A88C208S7	\$0.00	\$0.00	\$0.00	\$18,300,422.90	\$0.00
0173	CAP REP+CONST LN A88C208S17	\$0.00	\$0.00	\$1,089.41	\$1,190,412.01	\$0.00
0176	CAPITAL OUTL LN A88C164S94	\$0.00	\$29,330.00	(\$13,930.00)	\$1,737,245.49	\$0.00
0177	CAPITAL OUTL LN A88C164S95	\$0.00	\$0.00	\$0.00	\$3,489,255.30	\$0.00
017C	INFO TECH LN (2) A96C294S3	\$0.00	\$0.00	\$0.00	\$69,064.26	\$0.00
0194	STATE HSE REN & IMP A92C69S19	\$2,452,409.85	\$3,348,169.29	(\$422,700.37)	\$4,668,151.63	\$0.00
0196	WEL ELG CPT SYS DEV LA92C194S4	\$0.00	\$0.00	\$0.00	\$2,933,787.26	\$0.00
0198	CAPITAL REPAIRS & IMPROVEMENTS	\$210,690.51	\$74,475.34	(\$26,753.07)	\$11,315,866.26	\$0.00
019C	RAIL TRNSP.LNA96C205S15	\$4,732.55	(\$5,381.45)	\$0.00	\$132,162.97	\$0.00
020C	AIRPORT CAP.OUTLAY A96C205S17	\$1,778,513.69	\$2,120,377.29	(\$1,466,888.82)	\$30,876,715.43	\$0.00
023C	METRO ST.HOSP.REDEV.LN OF 1996	\$0.00	\$0.00	\$146,310.09	\$233,142.76	\$0.00
027C	Capital Expenditure Act of 200	\$20,667,298.50	\$4,683,076.49	(\$2,742,976.65)	\$98,820,754.49	\$0.00
031C	ECON.DEV.FACILITIES A97C152S14	\$0.00	\$0.00	\$0.00	\$44,392,221.31	\$0.00
035C	HSING PRSV & NBHD LN S3C257A98	\$1,100.00	\$0.00	\$0.00	\$11,798.71	\$0.00
036C	SUFFOLK COURTHOUSE EXTERIOR	\$5,900.83	\$26,309.12	(\$363,633.24)	\$5,064,734.24	\$0.00
040C	C55S4A99HWYCAPIMPLN	\$0.10	\$0.00	(\$3.17)	\$950,108.27	\$0.00
045C	A2000C237S5	\$86,658.34	\$2,598.64	(\$15,819.61)	\$267,154.45	\$0.00
046C	A2000C237S6	\$0.00	\$8,902.10	\$0.00	\$1,598,173.92	\$0.00
047C	A2000C238S5	\$146,879.25	\$74,415.35	(\$218.35)	\$687,958.19	\$0.00

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BONDS AUTHORIZED AND UNISSUED
 THROUGH PERIOD 11, FY 2011

FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
048C	A2000C245S5	\$0.00	\$0.00	(\$7,908.00)	\$164,408.17	\$0.00
049C	A2000C235S9	\$0.00	\$0.00	\$0.00	\$270.81	\$0.00
050C	A2000C202S3	\$0.00	\$0.00	\$0.00	\$0.01	\$0.00
055C	INFO-TECH LN A2002C142S3	\$1,696,039.89	\$6,416,906.32	(\$1,000,867.33)	\$13,812,528.87	\$0.00
056C	A2002 CH 236 SEC 3	\$14,452,452.46	\$7,614,621.61	(\$7,385,271.89)	\$111,510,566.34	\$0.00
057C	ACT2002C244SEC3	\$7,673,631.50	\$2,411,937.11	(\$1,709,348.39)	\$111,165,639.38	\$0.00
058C	A2002C245S4	\$2,796,364.89	\$7,907,886.80	(\$1,883,144.57)	\$82,985,452.14	\$0.00
059C	A202C246S4	\$10,050,744.00	\$9,221,102.04	(\$2,601,023.12)	\$38,922,666.34	\$0.00
060C	HWY SECURITY IMP PROGRAM LOAN	\$0.00	\$0.00	\$0.00	\$659,802.06	\$0.00
061C	INTERMODAL TRANS IMP LOAN '04	\$516,029.61	\$0.00	\$0.00	\$18,609,561.62	\$0.00
062C	RAIL TRANS ASSISTANCE LOAN ACT	\$620,575.89	\$71,481.40	(\$780,884.74)	\$4,891,142.87	\$0.00
063C	CAPITAL OUTLAY LOAN '04 - A04C	\$375,000.00	\$300,000.00	\$0.00	\$18,153,306.35	\$0.00
064C	MBTA SUBWAY & COMMUTER RAIL LO	\$0.00	\$0.00	\$0.00	\$849,750,000.00	\$0.00
066C	COURT IMP LOAN '04 - A04C290S3	\$26,266,062.99	\$34,562,317.77	(\$25,244,188.44)	\$106,273,610.21	\$0.00
067C	HOUSING PROD & MOD '04 - A04C2	\$8,946,719.30	\$7,513,586.41	(\$3,307,035.45)	\$12,447,750.75	\$0.00
073C	Housing for Low & Moderate Inc	\$30,502,796.42	\$43,703,099.98	(\$21,747,512.12)	\$593,504,323.02	\$0.00
074C	Housing for Low & Moderate Inc	\$74,286,431.73	\$45,193,978.79	(\$18,644,954.96)	\$479,347,058.52	\$0.00
075C	CH 240 ACTS OF 2010 SEC 2B	\$0.00	\$0.00	\$0.00	\$25,000,000.00	\$0.00
555C	A08 C258 S3 Public Higher Educ	\$131,034,927.80	\$100,426,976.07	(\$66,137,534.90)	\$2,037,070,939.97	\$0.00
563C	A08 C304 S16 Capital Facilitie	\$1,300,452.74	\$6,175,764.58	(\$3,856,001.04)	\$325,018,135.52	\$0.00
564C	A08 C304 S17 Capital Improveme	\$29,511,839.05	\$63,386,064.17	(\$41,660,765.39)	\$336,203,462.54	\$0.00
565C	A08 C304 S18 Capital Improveme	\$43,079,805.91	\$68,999,119.10	(\$34,454,825.17)	\$754,456,286.38	\$0.00
565L	A08 C304 S18 Capital Improveme	\$63,789,141.04	\$46,321,041.54	(\$29,889,597.81)	\$687,545,513.32	\$0.00
565T	A08 C304 S18 Capital Improveme	\$1,993,915.66	\$2,364,151.71	(\$3,954,241.66)	\$285,988,000.00	\$0.00
566L	A08 C304 S19 Capital Improveme	\$10,006,875.25	\$15,304,876.17	(\$28,257,613.20)	\$560,000,000.00	\$0.00
567C	A08 C312 S15 Preservation/Impr	\$53,780,142.65	\$76,014,126.85	(\$44,957,456.65)	\$1,115,710,610.20	\$0.00
568C	A08 C312 S16 Environmental Tr	\$7,398,782.35	\$10,561,223.62	(\$6,115,505.17)	\$289,432,500.54	\$0.00
569C	A08 C130 S46 Life Sciences Cen	\$8,783,024.42	\$14,788,179.98	(\$730,620.60)	\$446,013,645.02	\$0.00

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FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
570T	A08 C231 S2 MA Broadband Bill	\$15,789,225.67	\$7,468,175.31	(\$6,852,323.72)	\$32,641,549.39	\$0.00
AHT2	Affordable Housing Trust Fund	\$4,852.75	\$24,500,000.00	(\$8,360,297.78)	\$9,822,484.79	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$196,817,409.77	\$0.00	\$0.00	\$0.00
CEA7	Capital Expenditure Act of 200	\$56,892,597.89	\$105,645,765.03	(\$30,868,439.54)	\$182,890,066.18	\$0.00
Q123	CH 123A 06 S2BTAX	\$4,917,249.89	\$7,459,251.69	(\$2,516,431.07)	\$50,224,882.97	\$0.00
FUND TOTALS:		\$649,700,543.90	\$942,009,661.31	(\$413,313,116.68)	\$10,195,468,905.64	\$0.00

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FUND: 0201 Capital Investment Trust Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
028C	CAPITAL INVESTMENT TRUST FUND	\$0.00	\$0.00	\$0.00	\$101,968.40	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$0.00	\$101,968.40	\$0.00

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FUND: 0203 Convention Center and Exhibition Center Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
032C	S.O.BNDS (CONV.CTR)A97C152S11	\$0.00	\$0.00	\$8,392,626.94	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$8,392,626.94	\$0.00	\$0.00

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FUND: 0204 Capital Improvement and Investment Trust Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
041C	C55 ACTS OF 1999 S2A	\$0.00	\$27,822.65	(\$80,791.57)	\$150,364.92	\$0.00
043C	A2000C236S81	\$0.00	\$0.00	(\$40,322.49)	\$3,517,963.49	\$0.00
BREF	Proceeds of Bond Refunding	\$0.00	\$1,444,443.53	\$0.00	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$1,472,266.18	(\$121,114.06)	\$3,668,328.41	\$0.00

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FUND: 0210 Highway Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0207	ACCEL TRANSP & DEV. A94C273S2A	\$747,057.67	\$345,473.17	(\$164,724.76)	\$8,280,471.84	\$0.00
0208	ACCEL TRANSP & DEV. A94C273S2B	\$757,567.23	\$539,377.80	(\$313,967.32)	\$3,261,731.91	\$0.00
0222	0222	\$0.00	\$0.00	\$0.00	\$0.38	\$0.00
0237	HY IMP LN A83 C723 S11E	\$0.00	\$0.00	\$0.00	\$40,000.00	\$0.00
0247	HIGHWAY IMPR LN,CH15,S10,A88	\$0.00	\$0.00	\$0.00	\$912,181.70	\$0.00
0253	HIGHWAY IMPROVEMNT LN A91C33S11	\$0.00	\$0.00	\$0.00	\$5,000,000.00	\$0.00
0255	HIGHWAY IMPROVEMNT LN A91C33S13	\$111,821.35	\$0.00	\$75,395.55	\$36,424.90	\$0.00
0256	HIGHWAY IMPROVEMNT LN A91C33S14	\$0.00	\$27,425.03	(\$18,382.27)	\$17,879.17	\$0.00
0263	SPC OBG REV HY IMP LN A91C33S8	\$82,859.07	\$166,460.94	(\$166,460.94)	\$249,199.01	\$0.00
0268	HWY IMP LN A94C102S4	\$0.00	\$0.00	\$180,170.00	\$62,194.49	\$0.00
503C	HWY IMPRVT LN ACT A96C113S4	\$15,053.25	\$234,151.04	(\$169,320.33)	\$385,185.15	\$0.00
505C	HWY IMPRVT LN A96C205S4	\$31,385.91	\$498,411.10	(\$416,929.40)	\$72,713,251.47	\$0.00
506C	506C	\$0.00	\$0.00	\$0.00	\$1,397.36	\$0.00
507C	HWY IMPRVT LN A96C205S6	\$0.00	\$0.00	\$0.00	\$2,538.58	\$0.00
509C	INTERMODAL TRNP.IMP.A96C205S13	\$1,520,703.00	\$0.00	\$74,054.12	\$1,710,749.70	\$0.00
513C	PROJECT PLANNING & COORDINATN	\$7,193,030.35	\$5,391,527.49	(\$3,504,878.18)	\$95,298,647.03	\$0.00
517C	HWY IMPRVT LN A07C27S8	\$92,724,666.97	\$81,726,315.57	(\$49,016,904.52)	\$203,050,825.78	\$0.00
521C	C53S2CA99HWYIMPLN	\$0.00	\$0.00	\$0.00	\$22.63	\$0.00
523C	C55S4A99HWYCAPIMPLN	\$238,813.56	\$246,954.99	(\$87,244.37)	\$1,349,273.67	\$0.00
524C	524C	\$0.00	\$0.00	\$0.00	\$1.00	\$0.00
527C	HWY IMP LN ACT 2000 A00C87S5	\$0.00	\$0.00	(\$1.88)	\$34,351,309.53	\$0.00
530C	A2000C235S5 (2B)	\$12,010,826.81	\$8,214,222.78	(\$6,729,627.26)	\$101,992,226.91	\$0.00
531C	A2000C235S6 (2C)	\$84,350.40	\$9,001.62	(\$2,436.62)	\$5,363,577.63	\$0.00
532C	A2000C235S7 (2D)	\$600,362.85	\$0.00	\$0.00	\$1,330,021.38	\$0.00
533C	A2000C535S8 (2E)	\$9,326,649.67	\$1,125,151.24	(\$640,917.01)	\$23,257,478.14	\$0.00
543C	SPEC OBL REV HWY IMP LOAN '04	\$24,012,459.11	\$10,630,497.15	(\$7,385,748.56)	\$235,435,258.17	\$0.00
544C	HWY IMP LOAN '04 - A04C291S5	\$73,781,431.39	\$14,863,059.74	(\$13,093,262.11)	\$106,032,229.96	\$0.00
545C	HWY IMP LOAN '04 - A04C291S6	\$0.00	\$0.00	\$0.00	\$3,007,792.94	\$0.00

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FUND: 0210 Highway Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
546C	RTA IMP LOAN '04 - A04C291S8	\$645,249.21	\$133,212.39	(\$1,633,212.39)	\$3,977,614.97	\$0.00
547C	MOBILITY ASSISTANCE PROG IMP L	\$0.00	(\$142.09)	\$0.00	\$2,304.89	\$0.00
550C	Trans Imp Bill A08C86S2A	\$47,342,009.75	\$109,403,891.96	(\$38,340,751.61)	\$142,123,326.97	\$0.00
551C	Trans Imp Bill A08C86S2B	\$32,921,195.79	\$17,559,348.18	(\$13,832,802.49)	\$52,588,225.26	\$0.00
552C	Trans Imp Bill A08C86S2C	\$144,256.75	\$191,078.10	(\$90,047.99)	\$7,429,867.54	\$0.00
553C	Trans Imp Bill A08C86S2D	\$8,692,845.18	\$6,026.82	(\$6,026.82)	\$708,000,000.00	\$0.00
554C	C233 8 A. 08 Structurally Defi	\$291,370,859.33	\$213,545,569.13	\$161,601,187.29	\$2,311,413,298.24	\$0.00
556C	A08 C303 S47 Transportation Im	\$15,964,216.37	\$2,512,824.66	(\$3,359,115.65)	\$585,300,000.00	\$0.00
557C	A08 C303 S48 Transportation Im	\$133,510,785.04	\$115,205,502.42	(\$86,940,246.77)	\$323,853,957.02	\$0.00
558C	A08 C303 S49 Transportation Im	\$62,133,687.44	\$15,198,093.26	(\$11,394,888.09)	\$198,023,674.50	\$0.00
558T	A08 C303 S49 Transportation Im	\$0.00	\$0.00	\$0.00	\$20,000,000.00	\$0.00
559C	A08 C303 S50 Transportation Im	\$157,339.71	\$1,227,119.88	(\$1,295,962.64)	\$17,441,666.52	\$0.00
560C	A08 C303 S51 Transportation Im	\$0.00	\$0.00	\$0.00	\$72,000,000.00	\$0.00
561C	A08 C303 S52 Transportation Im	\$0.00	\$0.00	\$0.00	\$40,000,000.00	\$0.00
562C	A08 C303 S53 Transportation Im	\$0.00	\$0.00	\$0.00	\$15,366,500.00	\$0.00
572C	CH 240 ACTS OF 2010 SEC 2B	\$4,776,000.00	\$1,632,618.69	(\$1,632,618.69)	\$50,000,000.00	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$132,102,223.45	\$0.00	\$0.00	\$0.00
DR05	Cross Over Refunding 2005-A	\$0.00	\$3,539,853.13	\$1,824.49	\$0.00	\$0.00
FUND TOTALS:		\$820,897,483.16	\$736,275,249.64	(\$78,303,847.22)	\$5,450,662,306.34	\$0.00

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FUND: 0211 State Bond Share Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0252	HIGHWAY IMPROVEMNT LN A91C33S10	\$0.00	\$0.00	\$0.00	\$53,166,787.18	\$0.00
0287	HWY IMP LN A94C273S4	\$0.00	\$0.00	\$0.00	\$60,699,133.00	\$0.00
0288	HWY IMP LN A94C102S3	\$0.00	(\$13,622.00)	\$13,622.00	\$70,016,235.00	\$0.00
502C	HWY IMPRVMT LN ACT A96C113S3	\$0.00	\$1,122.00	(\$8,942.56)	\$7,982,434.56	\$0.00
504C	HWY IMPRVMT LN A96C205S3	\$0.00	(\$160,249.00)	\$1.00	\$4,488,943.00	\$0.00
510C	A97C11S3 HWY IMP LOAN 1997	\$0.00	\$132,176.00	\$0.38	\$38,321,046.62	\$0.00
511C	A97C11S5 HWY IMP LOAN 1997	\$0.00	\$0.00	\$0.00	\$57,585,090.00	\$0.00
512C	A97C11S9 HWYIMPLN 97GANS/BNDS	\$0.00	\$0.00	\$0.00	\$216,002.00	\$0.00
522C	C55S3A99HWYCAPIMPLN	\$0.00	\$17,049.00	(\$244,369.00)	\$284,740.00	\$0.00
526C	HWY IMP LN ACT 2000 A00C87S4	\$0.00	\$13,476.00	(\$68,775.00)	\$12,232,224.00	\$0.00
527C	HWY IMPRVMT LN A07C27S7	\$0.00	(\$15,270,951.00)	(\$47,831,475.94)	\$49,373,707.94	\$0.00
529C	A2000 C235 S3(2)	\$0.00	(\$501,614.00)	(\$4,526,057.67)	\$33,942,099.67	\$0.00
529C	A2000C235S4(2A)	\$0.00	\$1,581,094.00	(\$2,677,618.81)	\$167,313,390.80	\$0.00
541C	ACTS OF 2003 CH.40 SEC.3	\$0.00	(\$1,809,957.00)	(\$28,172,757.22)	\$39,966,359.22	\$0.00
542C	HWY IMP LOAN '04 - A04C291S3	\$0.00	\$1,596,424.00	(\$9,101,701.37)	\$27,050,601.37	\$0.00
549C	A08C86S2 Trans Imp Bill State	\$0.00	\$52,645,939.00	(\$57,036,292.74)	\$385,167,020.73	\$0.00
BREF	Bond Refunding	\$0.00	\$22,719,893.03	\$0.00	\$0.00	\$0.00
CAT1	CA/T (0202/0252) A91C33S10	\$0.00	\$0.00	\$0.00	\$10,216,908.00	\$0.00
CAT2	CA/T (0288) A94C102S3	\$0.00	\$0.00	(\$496.00)	\$22,358,452.00	\$0.00
CAT3	CA/T (0290/0287) A94C273S4	\$0.00	\$102,136.00	(\$1,822,449.00)	\$4,097,037.00	\$0.00
CAT4	CA/T (504C) A96C205S3	\$0.00	\$0.00	\$0.00	\$334,750.00	\$0.00
CAT5	CA/T (502C) A96C113S4	\$0.00	\$0.00	\$0.00	\$2,938,804.00	\$0.00
CAT6	CA/T (510C) A97C11S3	\$0.00	\$43,613.00	(\$43,609.00)	\$68,903,836.00	\$0.00
FUND TOTALS:		\$0.00	\$61,096,529.03	(\$151,520,920.93)	\$1,116,655,602.09	\$0.00

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FUND: 0212 Central Artery Statewide Road & Bridge Infrastructure Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
525C	CAT/TWT INF LN A2000 A00C87S3	\$4,182,557.12	\$463,757.53	\$6,012,992.46	\$4,282.86	\$0.00
538C	GO BOND SALE 2002C	\$58,502.04	\$118,204.78	\$85,888.16	\$0.00	\$0.00
BREF	Bond Refunding	\$0.00	\$46,252,252.72	\$0.00	\$0.00	\$0.00
C228	C/A CH 228 PROCEEDS	\$9,600,154.17	\$3,144,699.38	\$11,220,666.27	\$0.00	\$0.00
DFSD	OP FNDS TRFR A2000 C87S15	\$50.00	\$0.00	\$810.89	\$0.00	\$0.00
PKE3	MASS PIKE PMT A2000 C87 S11	\$0.00	\$0.00	\$107.55	\$0.00	\$0.00
PRT3	MASS PORT PMT A2000 C87 S11	\$50.00	\$0.00	\$162.04	\$0.00	\$0.00
RMV1	EXCESS RMV REVENUES15C87A2000	\$130,395.72	\$169,056.81	\$52,482,351.83	\$0.00	\$0.00
FUND TOTALS:		\$13,971,709.05	\$50,147,971.22	\$69,802,979.20	\$4,282.86	\$0.00

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FUND: 0240 Metro Parks Capital

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0375	Met Parks Dis Loan	\$0.00	\$0.00	\$0.07	\$87,633.83	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$0.07	\$87,633.83	\$0.00

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FUND: 0271 Local Aid Capital Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0373	CHARLES RIV.WTR.QLTY.LN72	\$0.00	\$0.00	\$0.00	\$4,869.05	\$0.00
0375	MET. PARKS DIST.LOAN 1974	\$0.00	\$0.00	\$0.00	\$184,246.87	\$0.00
0603	LOC SLD WST PAC L&G A87C584S27	\$0.00	\$0.00	\$10,069.48	\$0.00	\$0.00
0607	CRTHSE CONST&REN LN A88C203S28	\$0.00	\$6,517.00	(\$6,517.00)	\$8,217.00	\$0.00
0608	IMPROVEMENT CT HSES A88C203S24	\$0.00	\$0.00	\$0.00	\$7,187.50	\$0.00
0613	CAP OTLY LN A94C85S3	\$8,550.00	\$5,500.00	(\$5,500.00)	\$1,067,931.24	\$0.00
0614	0614	\$0.00	\$0.00	\$0.00	\$20,713.69	\$0.00
0618	TRANSP DEVEL & IMP. A94C273S2K	\$0.00	\$0.00	\$0.00	\$9,914,237.31	\$0.00
0656	WATER POLLUTION CTRL F276 A85	\$0.00	\$0.00	\$0.00	\$7,331.00	\$0.00
700C	700C	\$0.00	\$0.00	\$10,835.00	(\$10,835.00)	\$0.00
713C	A2002 CH 236 SEC 4	\$0.00	\$0.00	\$0.00	\$0.01	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$108,357,866.47	\$0.00	\$0.00	\$0.00
SBA1	MASS SCHOOL BUILD ASSIS FUND L	\$0.00	\$0.00	\$0.01	(\$0.01)	\$0.00
FUND TOTALS:		\$8,550.00	\$108,369,893.47	\$8,887.49	\$11,203,898.66	\$0.00

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FUND: 0278 Government Land Bank Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0650	GOVT LAND BANK FD LN A77C732S6	\$762,672.00	\$1,237,328.00	(\$603,326.23)	\$9,939,303.80	\$0.00
FUND TOTALS:		\$762,672.00	\$1,237,328.00	(\$603,326.23)	\$9,939,303.80	\$0.00

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FUND: 0289 Bond Ahead Fund (Holding account - memo only)

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0000	Zero Subfund for 0289 Fund	\$0.00	\$0.00	\$2,503,950.90	\$0.00	\$0.00
0291	Bond Proceeds	\$0.00	\$0.00	\$389,505,703.09	\$0.00	\$0.00
S10D	Proceeds from Bond Sales	\$0.00	\$0.00	\$236,576,910.59	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$628,586,564.58	\$0.00	\$0.00
GRAND FUND TOTALS:		\$1,485,340,958.11	\$1,900,608,888.85	\$62,928,733.16	\$16,787,792,230.03	\$0.00

Exhibit D

Final Numbers

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SOURCES AND USES OF FUNDS

The Commonwealth of Massachusetts
Consolidated Loan of 2011, Series B
Consolidated Loan of 2011, Series C (BuildMassBonds)
Final Pricing

Dated Date 06/01/2011
Delivery Date 06/01/2011

Sources:

Bond Proceeds:	
Par Amount	469,635,000.00
Net Premium	50,363,330.75
	<hr/>
	519,998,330.75

Uses:

Project Fund Deposits:	
Project Fund	517,967,423.51
Underwriter's Discount:	
Average Takedown	1,864,504.80
Underwriter's Counsel	30,000.00
I-Deal	7,044.53
Netroadshow	3,750.00
CUSIP	906.00
DTC	500.00
Dayloan	14,387.98
Dalcomp	29,638.10
Travel and Out of Pocket Expenses	3,694.92
Advertising Expense	76,480.91
	<hr/>
	2,030,907.24
	<hr/>
	519,998,330.75

BOND SUMMARY STATISTICS

The Commonwealth of Massachusetts Consolidated Loan of 2011, Series B Consolidated Loan of 2011, Series C (BuildMassBonds) Final Pricing

Dated Date	06/01/2011
Delivery Date	06/01/2011
First Coupon	02/01/2012
Last Maturity	08/01/2025
Arbitrage Yield	2.424114%
True Interest Cost (TIC)	2.656936%
Net Interest Cost (NIC)	2.867306%
All-In TIC	2.656936%
Average Coupon	4.420712%
Average Life (years)	6.625
Duration of Issue (years)	5.820
Par Amount	469,635,000.00
Bond Proceeds	519,998,330.75
Total Interest	137,545,364.58
Net Interest	89,212,941.07
Bond Years from Dated Date	3,111,385,000.00
Bond Years from Delivery Date	3,111,385,000.00
Total Debt Service	607,180,364.58
Maximum Annual Debt Service	79,268,187.50
Average Annual Debt Service	42,859,790.44
Underwriter's Fees (per \$1000)	
Average Takedown	3.970115
Other Fee	0.354323
Total Underwriter's Discount	4.324438
Bid Price	110.291487

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Series C - BuildMassBonds	6,795,000.00	97.530		2.667	1,766.70
Series B - Serial Bonds_1	119,885,000.00	102.106	3.049%	5.658	58,479.85
Series B - Serial Bonds_3	310,260,000.00	114.523	4.951%	7.022	190,613.80
Series B - Serial Bonds_2	32,695,000.00	109.014	3.810%	7.224	21,199.70
	469,635,000.00			6.625	272,060.05

	TIC	All-In TIC	Arbitrage Yield
Par Value	469,635,000.00	469,635,000.00	469,635,000.00
+ Accrued Interest			
+ Premium (Discount)	50,363,330.75	50,363,330.75	50,363,330.75
- Underwriter's Discount	-2,030,907.24	-2,030,907.24	
- Cost of Issuance Expense			
- Other Amounts			
Target Value	517,967,423.51	517,967,423.51	519,998,330.75
Target Date	06/01/2011	06/01/2011	06/01/2011
Yield	2.656936%	2.656936%	2.424114%

BOND PRICING

The Commonwealth of Massachusetts
Consolidated Loan of 2011, Series B
Consolidated Loan of 2011, Series C (BuildMassBonds)
Final Pricing

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	Takedown
Series C - BuildMassBonds:										
	02/01/2014	6,795,000		0.940%	97.530				-167,836.50	4.000
Series B - Serial Bonds_1:										
	08/01/2012	50,970,000	3.000%	0.240%	103.213				1,637,666.10	0.090
	08/01/2013	3,375,000	2.000%	0.520%	103.184				107,460.00	2.500
	08/01/2014	4,395,000	2.000%	0.940%	103.299				144,991.05	3.750
	08/01/2015	4,300,000	2.000%	1.270%	102.952				126,936.00	3.750
	08/01/2016	4,920,000	2.000%	1.460%	102.677				131,708.40	5.000
	08/01/2017	4,410,000	3.000%	1.850%	106.671				294,191.10	5.000
	08/01/2018	5,455,000	3.000%	2.200%	105.275				287,751.25	5.000
	08/01/2019	2,535,000	3.000%	2.480%	103.820				96,837.00	5.000
	08/01/2020	3,050,000	3.000%	2.730%	102.174				66,307.00	5.000
	08/01/2021	6,695,000	3.000%	2.970%	100.236	2.973%	08/01/2020	100.000	15,800.20	5.000
	08/01/2022	10,075,000	3.000%	3.150%	98.594				-141,654.50	5.000
	08/01/2023	7,265,000	3.250%	3.320%	99.301				-50,782.35	5.000
	08/01/2024	5,860,000	3.375%	3.500%	98.687				-76,941.80	5.000
	08/01/2025	6,580,000	3.500%	3.660%	98.240				-115,808.00	5.000
		119,885,000							2,524,461.45	
Series B - Serial Bonds_2:										
	08/01/2013	2,550,000	3.000%	0.520%	105.335				136,042.50	2.500
	08/01/2014	975,000	3.000%	0.940%	106.411				62,507.25	3.750
	08/01/2015	3,425,000	3.000%	1.270%	106.998				239,681.50	3.750
	08/01/2016	1,620,000	3.000%	1.460%	107.635				123,687.00	5.000
	08/01/2017	5,395,000	4.000%	1.850%	112.473				672,918.35	5.000
	08/01/2018	3,790,000	4.000%	2.200%	111.871				449,910.90	5.000
	08/01/2019	5,945,000	4.000%	2.480%	111.171				664,115.95	5.000
	08/01/2020	3,885,000	4.000%	2.730%	110.234				397,590.90	5.000
	08/01/2021	2,015,000	3.500%	2.970%	104.223	3.014%	08/01/2020	100.000	85,093.45	5.000
	08/01/2022	625,000	3.500%	3.150%	102.764	3.203%	08/01/2020	100.000	17,275.00	5.000
	08/01/2023	530,000	4.000%	3.290%	105.575	3.435%	08/01/2020	100.000	29,547.50	5.000
	08/01/2024	1,055,000	4.000%	3.470%	104.127	3.603%	08/01/2020	100.000	43,539.85	5.000
	08/01/2025	885,000	4.000%	3.630%	102.859	3.738%	08/01/2020	100.000	25,302.15	5.000
		32,695,000							2,947,212.30	
Series B - Serial Bonds_3:										
	08/01/2013	49,410,000	4.000%	0.520%	107.487				3,699,326.70	2.500
	08/01/2014	23,250,000	5.000%	0.940%	112.636				2,937,870.00	3.750
	08/01/2015	34,275,000	5.000%	1.270%	115.089				5,171,754.75	3.750
	08/01/2016	14,725,000	5.000%	1.460%	117.553				2,584,679.25	5.000
	08/01/2017	43,195,000	5.000%	1.850%	118.275				7,893,886.25	5.000

BOND PRICING

The Commonwealth of Massachusetts
Consolidated Loan of 2011, Series B
Consolidated Loan of 2011, Series C (BuildMassBonds)
Final Pricing

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	Takedown
Series B - Serial Bonds 3:										
	08/01/2018	22,155,000	5.000%	2.200%	118.468				4,091,585.40	5.000
	08/01/2019	21,520,000	5.000%	2.480%	118.522				3,985,934.40	5.000
	08/01/2020	23,065,000	5.000%	2.730%	118.295				4,219,741.75	5.000
	08/01/2021	16,290,000	5.000%	2.970%	116.181	C 3.129%	08/01/2020	100.000	2,635,884.90	5.000
	08/01/2022	14,300,000	5.000%	3.150%	114.626	C 3.413%	08/01/2020	100.000	2,091,518.00	5.000
	08/01/2023	17,205,000	5.000%	3.290%	113.433	C 3.624%	08/01/2020	100.000	2,311,147.65	5.000
	08/01/2024	5,085,000	5.000%	3.440%	112.171	C 3.815%	08/01/2020	100.000	618,895.35	5.000
	08/01/2025	25,785,000	5.000%	3.590%	110.926	C 3.983%	08/01/2020	100.000	2,817,269.10	5.000
		310,260,000							45,059,493.50	
		469,635,000							50,363,330.75	

Dated Date	06/01/2011	
Delivery Date	06/01/2011	
First Coupon	02/01/2012	
Par Amount	469,635,000.00	
Premium	50,363,330.75	
Production	519,998,330.75	110.723930%
Underwriter's Discount	-2,030,907.24	-0.432444%
Purchase Price	517,967,423.51	110.291487%
Accrued Interest		
Net Proceeds	517,967,423.51	

BOND DEBT SERVICE

The Commonwealth of Massachusetts
Consolidated Loan of 2011, Series B
Consolidated Loan of 2011, Series C (BuildMassBonds)
Final Pricing

Dated Date 06/01/2011
Delivery Date 06/01/2011

Period Ending	Principal	Coupon	Interest	Debt Service	Bond Balance	Total Bond Value
06/30/2011					469,635,000	469,635,000
06/30/2012			13,151,658.33	13,151,658.33	469,635,000	469,635,000
06/30/2013	50,970,000	3.000%	18,962,937.50	69,932,937.50	418,665,000	418,665,000
06/30/2014	62,130,000	**	17,138,187.50	79,268,187.50	356,535,000	356,535,000
06/30/2015	28,620,000	**	15,438,162.50	44,058,162.50	327,915,000	327,915,000
06/30/2016	42,000,000	**	13,847,087.50	55,847,087.50	285,915,000	285,915,000
06/30/2017	21,265,000	**	12,454,212.50	33,719,212.50	264,650,000	264,650,000
06/30/2018	53,000,000	**	10,758,662.50	63,758,662.50	211,650,000	211,650,000
06/30/2019	31,400,000	**	8,793,237.50	40,193,237.50	180,250,000	180,250,000
06/30/2020	30,000,000	**	7,386,812.50	37,386,812.50	150,250,000	150,250,000
06/30/2021	30,000,000	**	5,991,812.50	35,991,812.50	120,250,000	120,250,000
06/30/2022	25,000,000	**	4,748,800.00	29,748,800.00	95,250,000	95,250,000
06/30/2023	25,000,000	**	3,686,300.00	28,686,300.00	70,250,000	70,250,000
06/30/2024	25,000,000	**	2,607,956.25	27,607,956.25	45,250,000	45,250,000
06/30/2025	12,000,000	**	1,802,062.50	13,802,062.50	33,250,000	33,250,000
06/30/2026	33,250,000	**	777,475.00	34,027,475.00		
	469,635,000		137,545,364.58	607,180,364.58		

AVERAGE TAKEDOWN

The Commonwealth of Massachusetts
Consolidated Loan of 2011, Series B
Consolidated Loan of 2011, Series C (BuildMassBonds)
Final Pricing

Dated Date 06/01/2011
Delivery Date 06/01/2011

Bond Component	Maturity Date	Base Amount	Takedown \$/Bond	Takedown Amount
Series C - BuildMassBonds:				
	02/01/2014	6,795,000	4.0000	27,180.00
Series B - Serial Bonds_1:				
	08/01/2012	50,970,000	0.0900	4,587.30
	08/01/2013	3,375,000	2.5000	8,437.50
	08/01/2014	4,395,000	3.7500	16,481.25
	08/01/2015	4,300,000	3.7500	16,125.00
	08/01/2016	4,920,000	5.0000	24,600.00
	08/01/2017	4,410,000	5.0000	22,050.00
	08/01/2018	5,455,000	5.0000	27,275.00
	08/01/2019	2,535,000	5.0000	12,675.00
	08/01/2020	3,050,000	5.0000	15,250.00
	08/01/2021	6,695,000	5.0000	33,475.00
	08/01/2022	10,075,000	5.0000	50,375.00
	08/01/2023	7,265,000	5.0000	36,325.00
	08/01/2024	5,860,000	5.0000	29,300.00
	08/01/2025	6,580,000	5.0000	32,900.00
		119,885,000	2.7514	329,856.05
Series B - Serial Bonds_2:				
	08/01/2013	2,550,000	2.5000	6,375.00
	08/01/2014	975,000	3.7500	3,656.25
	08/01/2015	3,425,000	3.7500	12,843.75
	08/01/2016	1,620,000	5.0000	8,100.00
	08/01/2017	5,395,000	5.0000	26,975.00
	08/01/2018	3,790,000	5.0000	18,950.00
	08/01/2019	5,945,000	5.0000	29,725.00
	08/01/2020	3,885,000	5.0000	19,425.00
	08/01/2021	2,015,000	5.0000	10,075.00
	08/01/2022	625,000	5.0000	3,125.00
	08/01/2023	530,000	5.0000	2,650.00
	08/01/2024	1,055,000	5.0000	5,275.00
	08/01/2025	885,000	5.0000	4,425.00
		32,695,000	4.6368	151,600.00
Series B - Serial Bonds_3:				
	08/01/2013	49,410,000	2.5000	123,525.00
	08/01/2014	23,250,000	3.7500	87,187.50
	08/01/2015	34,275,000	3.7500	128,531.25
	08/01/2016	14,725,000	5.0000	73,625.00
	08/01/2017	43,195,000	5.0000	215,975.00
	08/01/2018	22,155,000	5.0000	110,775.00
	08/01/2019	21,520,000	5.0000	107,600.00
	08/01/2020	23,065,000	5.0000	115,325.00
	08/01/2021	16,290,000	5.0000	81,450.00
	08/01/2022	14,300,000	5.0000	71,500.00
	08/01/2023	17,205,000	5.0000	86,025.00
	08/01/2024	5,085,000	5.0000	25,425.00
	08/01/2025	25,785,000	5.0000	128,925.00
		310,260,000	4.3701	1,355,868.75
		469,635,000	3.9701	1,864,504.80

PROOF OF ARBITRAGE YIELD

The Commonwealth of Massachusetts
Consolidated Loan of 2011, Series B
Consolidated Loan of 2011, Series C (BuildMassBonds)
Final Pricing

Date	Debt Service	PV Factor	Present Value to 06/01/2011 @ 2.4241144%
02/01/2012	13,151,658.33	0.984064723	12,942,083.02
08/01/2012	60,833,743.75	0.972280132	59,147,440.40
02/01/2013	9,099,193.75	0.960636666	8,741,019.15
08/01/2013	64,434,193.75	0.949132635	61,156,596.12
02/01/2014	14,833,993.75	0.937766370	13,910,820.48
08/01/2014	36,658,993.75	0.926536221	33,965,885.55
02/01/2015	7,399,168.75	0.915440558	6,773,499.17
08/01/2015	49,399,168.75	0.904477770	44,680,449.99
02/01/2016	6,447,918.75	0.893646266	5,762,158.51
08/01/2016	27,712,918.75	0.882944474	24,468,968.46
02/01/2017	6,006,293.75	0.872370840	5,239,715.52
08/01/2017	59,006,293.75	0.861923830	50,858,930.71
02/01/2018	4,752,368.75	0.851601927	4,047,126.39
08/01/2018	36,152,368.75	0.841403634	30,418,734.45
02/01/2019	4,040,868.75	0.831327469	3,359,285.19
08/01/2019	34,040,868.75	0.821371971	27,960,215.47
02/01/2020	3,345,943.75	0.811535694	2,715,352.78
08/01/2020	117,120,943.75	0.801817211	93,909,588.46
02/01/2021	583,643.75	0.792215111	462,371.40
08/01/2021	7,278,643.75	0.782727999	5,697,198.26
02/01/2022	483,218.75	0.773354500	373,699.39
08/01/2022	10,558,218.75	0.764093253	8,067,463.71
02/01/2023	332,093.75	0.754942913	250,711.82
08/01/2023	7,597,093.75	0.745902152	5,666,688.58
02/01/2024	214,037.50	0.736969658	157,739.14
08/01/2024	6,074,037.50	0.728144135	4,422,774.78
02/01/2025	115,150.00	0.719424301	82,841.71
08/01/2025	6,695,150.00	0.710808890	4,758,972.14
594,368,189.58			519,998,330.75

Proceeds Summary

Delivery date	06/01/2011
Par Value	469,635,000.00
Premium (Discount)	50,363,330.75
Target for yield calculation	519,998,330.75

PROOF OF ARBITRAGE YIELD

The Commonwealth of Massachusetts
Consolidated Loan of 2011, Series B
Consolidated Loan of 2011, Series C (BuildMassBonds)
Final Pricing

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Net Present Value (NPV) to 06/01/2011 @ 2.4241144%
2011_B_2	08/01/2021	3.500%	2.970%	08/01/2020	100.000	92,050.16
2011_B_2	08/01/2022	3.500%	3.150%	08/01/2020	100.000	37,670.29
2011_B_2	08/01/2023	4.000%	3.290%	08/01/2020	100.000	38,707.60
2011_B_2	08/01/2024	4.000%	3.470%	08/01/2020	100.000	92,326.44
2011_B_2	08/01/2025	4.000%	3.630%	08/01/2020	100.000	88,670.99
2011_B_3	08/01/2021	5.000%	2.970%	08/01/2020	100.000	793,562.63
2011_B_3	08/01/2022	5.000%	3.150%	08/01/2020	100.000	918,985.36
2011_B_3	08/01/2023	5.000%	3.290%	08/01/2020	100.000	1,310,929.99
2011_B_3	08/01/2024	5.000%	3.440%	08/01/2020	100.000	451,622.80
2011_B_3	08/01/2025	5.000%	3.590%	08/01/2020	100.000	2,611,110.55

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Net Present Value (NPV) to 06/01/2011 @ 2.4241144%	Increase to NPV
2011_B_2	08/01/2021	3.500%	2.970%			109,121.83	17,071.67
2011_B_2	08/01/2022	3.500%	3.150%			48,134.59	10,464.30
2011_B_2	08/01/2023	4.000%	3.290%			57,972.92	19,265.32
2011_B_2	08/01/2024	4.000%	3.470%			142,854.52	50,528.08
2011_B_2	08/01/2025	4.000%	3.630%			141,030.54	52,359.55
2011_B_3	08/01/2021	5.000%	2.970%			1,123,994.95	330,432.32
2011_B_3	08/01/2022	5.000%	3.150%			1,492,212.49	573,227.13
2011_B_3	08/01/2023	5.000%	3.290%			2,333,179.50	1,022,249.51
2011_B_3	08/01/2024	5.000%	3.440%			849,705.42	398,082.62
2011_B_3	08/01/2025	5.000%	3.590%			5,104,681.26	2,493,570.71

FORM 8038 STATISTICS

The Commonwealth of Massachusetts
Consolidated Loan of 2011, Series B
Consolidated Loan of 2011, Series C (BuildMassBonds)
Final Pricing

Dated Date 06/01/2011
Delivery Date 06/01/2011

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Series C - BuildMassBonds:						
	02/01/2014	6,795,000.00	0.000%	97.530	6,627,163.50	6,795,000.00
Series B - Serial Bonds_1:						
	08/01/2012	50,970,000.00	3.000%	103.213	52,607,666.10	50,970,000.00
	08/01/2013	3,375,000.00	2.000%	103.184	3,482,460.00	3,375,000.00
	08/01/2014	4,395,000.00	2.000%	103.299	4,539,991.05	4,395,000.00
	08/01/2015	4,300,000.00	2.000%	102.952	4,426,936.00	4,300,000.00
	08/01/2016	4,920,000.00	2.000%	102.677	5,051,708.40	4,920,000.00
	08/01/2017	4,410,000.00	3.000%	106.671	4,704,191.10	4,410,000.00
	08/01/2018	5,455,000.00	3.000%	105.275	5,742,751.25	5,455,000.00
	08/01/2019	2,535,000.00	3.000%	103.820	2,631,837.00	2,535,000.00
	08/01/2020	3,050,000.00	3.000%	102.174	3,116,307.00	3,050,000.00
	08/01/2021	6,695,000.00	3.000%	100.236	6,710,800.20	6,695,000.00
	08/01/2022	10,075,000.00	3.000%	98.594	9,933,345.50	10,075,000.00
	08/01/2023	7,265,000.00	3.250%	99.301	7,214,217.65	7,265,000.00
	08/01/2024	5,860,000.00	3.375%	98.687	5,783,058.20	5,860,000.00
	08/01/2025	6,580,000.00	3.500%	98.240	6,464,192.00	6,580,000.00
Series B - Serial Bonds_2:						
	08/01/2013	2,550,000.00	3.000%	105.335	2,686,042.50	2,550,000.00
	08/01/2014	975,000.00	3.000%	106.411	1,037,507.25	975,000.00
	08/01/2015	3,425,000.00	3.000%	106.998	3,664,681.50	3,425,000.00
	08/01/2016	1,620,000.00	3.000%	107.635	1,743,687.00	1,620,000.00
	08/01/2017	5,395,000.00	4.000%	112.473	6,067,918.35	5,395,000.00
	08/01/2018	3,790,000.00	4.000%	111.871	4,239,910.90	3,790,000.00
	08/01/2019	5,945,000.00	4.000%	111.171	6,609,115.95	5,945,000.00
	08/01/2020	3,885,000.00	4.000%	110.234	4,282,590.90	3,885,000.00
	08/01/2021	2,015,000.00	3.500%	104.223	2,100,093.45	2,015,000.00
	08/01/2022	625,000.00	3.500%	102.764	642,275.00	625,000.00
	08/01/2023	530,000.00	4.000%	105.575	559,547.50	530,000.00
	08/01/2024	1,055,000.00	4.000%	104.127	1,098,539.85	1,055,000.00
	08/01/2025	885,000.00	4.000%	102.859	910,302.15	885,000.00
Series B - Serial Bonds_3:						
	08/01/2013	49,410,000.00	4.000%	107.487	53,109,326.70	49,410,000.00
	08/01/2014	23,250,000.00	5.000%	112.636	26,187,870.00	23,250,000.00
	08/01/2015	34,275,000.00	5.000%	115.089	39,446,754.75	34,275,000.00
	08/01/2016	14,725,000.00	5.000%	117.553	17,309,679.25	14,725,000.00
	08/01/2017	43,195,000.00	5.000%	118.275	51,088,886.25	43,195,000.00
	08/01/2018	22,155,000.00	5.000%	118.468	26,246,585.40	22,155,000.00
	08/01/2019	21,520,000.00	5.000%	118.522	25,505,934.40	21,520,000.00
	08/01/2020	23,065,000.00	5.000%	118.295	27,284,741.75	23,065,000.00
	08/01/2021	16,290,000.00	5.000%	116.181	18,925,884.90	16,290,000.00
	08/01/2022	14,300,000.00	5.000%	114.626	16,391,518.00	14,300,000.00
	08/01/2023	17,205,000.00	5.000%	113.433	19,516,147.65	17,205,000.00
	08/01/2024	5,085,000.00	5.000%	112.171	5,703,895.35	5,085,000.00
	08/01/2025	25,785,000.00	5.000%	110.926	28,602,269.10	25,785,000.00
		469,635,000.00			519,998,330.75	469,635,000.00

FORM 8038 STATISTICS

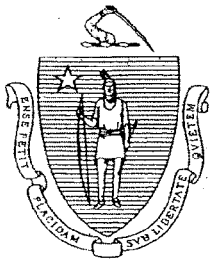
The Commonwealth of Massachusetts
Consolidated Loan of 2011, Series B
Consolidated Loan of 2011, Series C (BuildMassBonds)
Final Pricing

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	08/01/2025	4.705%	35,976,763.25	33,250,000.00		
Entire Issue			519,998,330.75	469,635,000.00	6.6616	2.4241%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	2,030,907.24
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00

Exhibit E

Reimbursement and Declaration of Official Intent



The Commonwealth of Massachusetts
Office of the Comptroller
One Ashburton Place, Room 901
Boston, Massachusetts 02108

MARTIN J. BENISON
COMPTROLLER

PHONE: (617) 727-5000
FAX: (617) 727-2163
INTERNET: <http://www.mass.gov/osc>

DECLARATION OF OFFICIAL INTENT

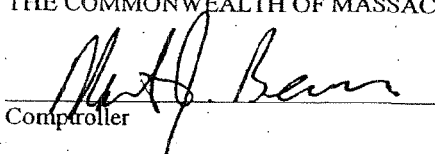
The undersigned, Comptroller of The Commonwealth of Massachusetts (the "Commonwealth"), hereby states the following:

1. This shall constitute a "Declaration of Official Intent" pursuant to the provisions of Section 1.10-2 of U.S. Department of Treasury Regulations.
2. The Commonwealth expects to spend amounts on deposit in its General Fund to pay the costs of Capital expenditures (the "Expenditures") in the amounts and for the purposes as described in the reports referred to in Schedule A hereto. The Commonwealth reasonably expects to reimburse itself for all such Expenditures with the proceeds of debt to be incurred by the Commonwealth. The amount of such Expenditures is the maximum principal amount of debt the Commonwealth intends to issue for each such purpose. The maximum principal amount of bonds expected to be issued under each bond authorized to which such Expenditures relate is set forth on Schedule B hereto.

In Witness Whereof, the undersigned has executed this Declaration of Official Intent this 31st day of MAY 2011.

THE COMMONWEALTH OF MASSACHUSETTS

BY:


Comptroller

SCHEDULE A

The following reports are available for public inspection at the Office of the Comptroller, One Ashburton Place, Room 909, Boston MA 02108 and are hereby incorporated in the Declaration of Official Intent by reference:

1. Amount of Expenditures to be reimbursed by debt. Such amounts are set forth in the following reports.

Warrant Analysis by Appropriation Type (Capital Expenditures)	MMARS Report NAP625W
Summary of Warranted Payments by Fund	MMARS Report NAP627WS
Detail Monthly Warranted Payments by Fund/Class	MMARS Report NAP627WD

2. Purpose of Expenditures. The Expenditures Classification Handbook outlines a description of expenditures incorporated herein by reference.

SCHEDULE B- BONDS AUTHORIZED AND UNISSUED AS OF:

Month MAY Day 25th 2011 MMARS REPORT NGA265S

SCHEDULE C-BOND FUNDS

Fund - 182	<u>Capital Expenditure Reserve Fund</u> Established for the purpose of recording Central Artery / Third Harbor Tunnel expenditures funded by revenues received from the Massachusetts Turnpike Authority and the Massachusetts Port Authority.
Fund - 200	<u>General Capital Projects</u> Various purpose capital projects which include asbestos removal from schools, pier redevelopment, water pollution control facilities, public housing, public buildings, correctional facilities environmental facilities, airport facilities, cultural facilities, and mass transit all as more particularly described in Schedule B above.
Fund - 201	<u>Capital Investment Trust Fund</u> Various purpose capital projects which includes appropriations for infrastructure, economic development, information technology and housing. These appropriations are funded by transfers of operating surpluses.
Fund - 202	<u>Capital Reserve Offset Fund</u> Surplus operating revenue as determined by the Comptroller in accordance with Section 5C of Chapter 29 MGL to be applied to various bond authorizations in lieu of proceeds from the issuance of long term debt.
Fund - 203	<u>Boston Convention and Exhibition Center Fund</u> Various convention center projects includes Boston convention center project, Springfield Civic Center, Worcester Convention Center, basketball hall of fame all as more particularly described in Schedule B above.
Fund - 204	<u>Capital Improvement and Investment Trust Fund</u> Various purpose capital projects which includes appropriations for infrastructure, economic development, information technology and housing. Transfers of operating surpluses fund these appropriations.
Fund - 210	<u>Highway capital Projects</u> Various highway and related transportation projects, all more particularly described in Schedule B above.
Fund - 220	<u>Inland Fish and Game Capital Projects</u> Various fish and game capital projects, all as more particularly described in Schedule B above.
Fund - 230	<u>State Recreation Area Capital Projects</u> Various capital projects for recreation areas within the Commonwealth, all as more particularly described in Schedule B above.
Fund - 240	<u>Metro Parks Capital Projects</u> Various parks projects within the metropolitan Boston area, all as more particularly described in Schedule B above.
Fund - 270	<u>General Obligation Federally Assisted Housing</u> Various federally assisted housing projects, all more particularly described in Schedule B above.
Fund - 271	<u>Local Aid capital Projects</u> Various projects for municipalities including schools, highway improvements, library facilities, water pollution abatement, solid waste facilities, community development facilities, and courthouse facilities, all more particularly described in Schedule B above.
Fund - 272	<u>Lockup Facilities</u> Various correctional facilities, all as more particularly described in Schedule B above.
Fund - 273	<u>Suffolk County Jail</u> Construction of new Suffolk County Jail, all as more particularly described in Schedule B above.
Fund - 274	<u>County Correctional Institution</u> County correctional facilities, as more particularly described in Schedule B above.
Fund - 275	<u>Local Infrastructure</u> Various municipal capital projects, all as more particularly described in Schedule B above.
Fund - 276	<u>Water Pollution Control</u> Various water pollution control projects, all as more particularly described in Schedule B above.
Fund - 278	<u>Government Land Bank</u> Various capital projects for the Massachusetts Government Land Bank, all as more particularly described in Schedule B above.
Fund - 279	<u>Environmental Challenge</u> Various environmental facilities; all more particularly described in Schedule B above.
Fund - 280	<u>Intercity Bus Capital Projects</u> Various intercity bus capital projects, all as more particularly described in Schedule B above.



The Commonwealth of Massachusetts
Office of the Comptroller
One Ashburton Place, Room 901
Boston, Massachusetts 02108

MARTIN J. DENISON
COMPTROLLER

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DECLARATION OF OFFICIAL INTENT

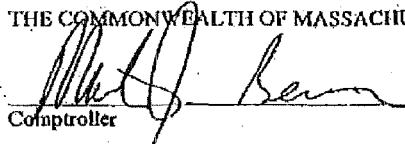
The undersigned, Comptroller of The Commonwealth of Massachusetts (the "Commonwealth"), hereby states the following:

1. This shall constitute a "Declaration of Official Intent" pursuant to the provisions of Section 1.150-2 of U.S. Department of Treasury Regulations.
2. The Commonwealth expects to spend amounts on deposit in its General Fund to pay the costs of Capital expenditures (the "Expenditures") in the amounts and for the purposes as described in the reports referred to in Schedule A hereto. The Commonwealth reasonably expects to reimburse itself for all such Expenditures with the proceeds of debt to be incurred by the Commonwealth. The amount of such Expenditures is the maximum principal amount of debt the Commonwealth intends to issue for each such purpose. The maximum principal amount of bonds expected to be issued under each bond authorized to which such Expenditures relate is set forth on Schedule B hereto.

In Witness Whereof, the undersigned has executed this Declaration of Official Intent this 11th day of MAY 2010.

THE COMMONWEALTH OF MASSACHUSETTS

BY:


Comptroller

SCHEDULE A

The following reports are available for public inspection at the Office of the Comptroller, One Ashburton Place, Room 909, Boston MA 02108 and are hereby incorporated in the Declaration of Official Intent by reference:

1. Amount of Expenditures to be reimbursed by debt. Such amounts are set forth in the following reports.

Warrant Analysis by Appropriation Type (Capital Expenditures)	MMARS Report NAP625W
Summary of Warranted Payments by Fund	MMARS Report NAP627WS
Detail Monthly Warranted Payments by Fund/Class	MMARS Report NAP627WD

2. Purpose of Expenditures. The Expenditures Classification Handbook outlines a description of expenditures incorporated herein by reference.

SCHEDULE B- BONDS AUTHORIZED AND UNISSUED AS OF:

Month May Day 5th 2010 MMARS REPORT NGA265S

SCHEDULE C-BOND FUNDS

Fund - 182	<u>Capital Expenditure Reserve Fund</u>	Established for the purpose of recording Central Artery / Third Harbor Tunnel expenditures funded by revenues received from the Massachusetts Turnpike Authority and the Massachusetts Port Authority.
Fund - 200	<u>General Capital Projects</u>	Various purpose capital projects which include asbestos removal from schools, pier redevelopment, water pollution control facilities, public housing, public buildings, correctional facilities environmental facilities, airport facilities, cultural facilities, and mass transit all as more particularly described in Schedule B above.
Fund - 201	<u>Capital Investment Trust Fund</u>	Various purpose capital projects which includes appropriations for infrastructure, economic development, information technology and housing. These appropriations are funded by transfers of operating surpluses.
Fund - 202	<u>Capital Reserve Offset Fund</u>	Surplus operating revenue as determined by the Comptroller in accordance with Section 5C of Chapter 29 MGL to be applied to various bond authorizations in lieu of proceeds from the issuance of long term debt.
Fund - 203	<u>Boston Convention and Exhibition Center Fund</u>	Various convention center projects includes Boston convention center project, Springfield Civic Center, Worcester Convention Center, basketball hall of fame all as more particularly described in Schedule B above.
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Fund - 270	<u>General Obligation Federally Assisted Housing</u>	Various federally assisted housing projects, all more particularly described in Schedule B above.
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Fund - 279	<u>Environmental Challenge</u>	Various environmental facilities, all more particularly described in Schedule B above.
Fund - 280	<u>Intercity Bus Capital Projects</u>	Various intercity bus capital projects, all as more particularly described in Schedule B above.

Appendix I

Definitions

Bond Counsel shall mean Nixon Peabody LLP or any other law firm appointed by the issuer, having a national reputation in the field of municipal finance whose opinions are generally accepted by purchasers of municipal bonds.

Bond Year shall mean each one year period that ends on the day selected by the issuer. If no day is selected by the issuer before the date that is five years from the Delivery Date, each Bond Year ends on the anniversary of the Delivery Date and on the final maturity date.

Bond Yield shall have the meaning set forth in Section III of the Tax Certificate.

Code shall mean the Internal Revenue Code of 1986.

Commingled Fund shall mean any fund or account containing both Gross Proceeds of an issue and amounts in excess of \$25,000 that are not Gross Proceeds of that issue if the amounts in the fund or account are invested and accounted for collectively, without regard to the source of funds deposited in the fund or account.

Computation Date shall mean each date on which the rebate for an issue is computed.

Computation Date Credit shall mean with respect to an issue a credit of \$1,000 against the rebatable arbitrage on (i) the last day of each Bond Year during which there are amounts allocated to Gross Proceeds of an issue subject to the Rebate Requirement; and (ii) the final maturity date for an issue.

Computation Period shall mean the period between Computation Dates. The first Computation Period begins on the date hereof and ends on the first Computation Date. Each succeeding Computation Period begins on the date immediately following the Computation Date and ends on the next Computation Date.

Gross Proceeds shall mean any Proceeds or Replacement Proceeds of an issue.

Investment Proceeds shall mean any amounts actually or constructively received from investing Proceeds of an issue.

Investment Property shall mean any security or obligation within the meaning of Section 148(b)(2) of the Code, any annuity contract, any interest in any residential rental property for family units which is not located within the jurisdiction of the issuer, any "specified private activity bond" within the meaning of Section 57(a)(5)(C), and any other Investment-Type Property.

Investment-Type Property includes any property that is held principally as a passive vehicle for the production of income. For this purpose, production of income includes any benefit based on the time value of money. In general, a prepayment for property or services, including a prepayment for property or services that is made after the date that the contract to buy the property or services is entered into, is Investment-Type Property if a principal purpose for prepaying is to receive an investment return from the time the prepayment is made until the time payment otherwise would be made. A prepayment is not Investment-Type Property if (i) prepayments on substantially the same terms are made by a substantial percentage of persons who are similarly situated to the issuer but who are not beneficiaries of tax-exempt financing; (ii) the prepayment is made within 90 days of the reasonably expected date of delivery to the issuer of all of the property or services for which the prepayment is made; or (iii) the prepayment is used to acquire a supply of natural gas or electricity and meets certain requirements set forth in Treasury Regulations Section 1.148-1(e)(2)(iii)(A) or (B).

Multipurpose Issue shall mean an issue that is used for two or more separate governmental purposes.

Net Sale Proceeds shall mean Sale Proceeds, less the portion of those Sale Proceeds invested in a reasonably required reserve or replacement fund.

Nonpurpose Investment shall mean any Investment Property that is not a Purpose Investment.

Nonpurpose Payment shall mean:

- i. amounts actually or constructively paid to acquire a Nonpurpose Investment (or treated as paid to a Commingled Fund);
- ii. in the case of a Nonpurpose Investment that is first allocated to an issue on a date after it is actually acquired (e.g., an investment that becomes allocable to Transferred Proceeds or to Replacement Proceeds) or that becomes subject to the Rebate Requirement on a date after it is actually acquired (e.g., an investment allocated to a reasonably required reserve or replacement fund for a construction issue at the end of the two year spending period), the Value of that investment on that date;
- iii. in the case of a Nonpurpose Investment that was allocated to an issue at the end of the preceding Computation Period, the Value of that Nonpurpose Investment at the beginning of the Computation Period; and
- iv. the Computation Date Credit.

Nonpurpose Receipt shall mean:

- i. amounts actually or constructively received from a nonpurpose Investment (including amounts treated as received from a Commingled Fund);
- ii. in the case of a Nonpurpose Investment that ceases to be allocated to an issue before its disposition or redemption date (e.g., an investment that becomes allocable to Transferred Proceeds of another issue or that ceases to be allocable to the issue pursuant to the Universal Cap) or that ceases to be subject to the Rebate Requirement on a date earlier than its disposition or redemption date (e.g., an investment allocated to a fund initially subject to the Rebate Requirement but that subsequently qualifies as a bona fide debt service fund), the Value of that Nonpurpose Investment on that date; and
- iii. in the case of a Nonpurpose Investment that is held at the end of a Computation Period, the Value of that Nonpurpose Investment at the end of that Computation Period.

Plain Par Bond (or Plain Par Investment) shall mean a bond (or an investment) (i) issued (or in the case of an investment acquired on a date other than the issue date, acquired) with not more than a de minimis amount (i.e., two percent of stated principal amount) of original issue discount or original issue premium; (ii) issued for a price that does not include accrued interest, other than Pre-Issuance Accrued Interest; (iii) that bears interest from the issue date at a single, stated, fixed rate or that is a variable rate debt instrument under section 1275 of the Code, in each case with interest payable at least annually; and (iv) that has a lowest stated redemption price that is not less than its outstanding principal amount.

Pre-Issuance Accrued Interest shall mean amounts representing interest that has accrued on an obligation for a period of not greater than one year before its issue date but only if those amounts are paid within one year after the Delivery Date.

Proceeds shall mean any Sale Proceeds, Investment Proceeds and Transferred Proceeds of an issue.

Purpose Investment shall mean an investment that is acquired to carry out the governmental purpose of an issue.

Qualified Administrative Costs shall mean reasonable, direct administrative costs, other than carrying costs, such as separately stated brokerage and selling commissions that are comparable to those charged nongovernmental entities in transactions not involving tax-exempt bond proceeds, but not legal and accounting fees, recordkeeping, custody or similar costs. For special rules relating to guaranteed investment contracts and investments purchased for a yield restricted defeasance escrow, see Treasury Regulation Section 1.148-5(e)(2)(iii).

Rebate Bond Yield shall mean the Bond Yield unless:

- i. the issuer enters into a hedge transaction (e.g., interest rate swap, interest rate cap or collar) which has not been taken into account in computing the Bond Yield, in which case the issuer shall consult with Bond Counsel for guidance in determining the Rebate Bond Yield; or
- ii. the issuer, in a transaction that is separate and apart from the original sale of an issue, transfers, waives or modifies any right that is part of the terms of an issue (e.g., a sale of the call rights on an issue). The issuer shall consult with Bond Counsel prior to entering into any such transaction and for guidance in determining the Rebate Bond Yield.

Rebate Requirement shall have the meaning ascribed thereto in Section 4 of the Tax Certificate.

Replacement Proceeds shall mean amounts that have a sufficiently direct nexus to an issue to conclude that the amounts would have been used for that governmental purpose if the Proceeds of the issue were not used or to be used for that governmental purpose. For this purpose, governmental purposes include the expected use of amounts for the payment of debt service on a particular date. The mere availability or preliminary earmarking of amounts for a governmental purpose, however, does not in itself establish a sufficient nexus to cause those amounts to be Replacement Proceeds. Replacement Proceeds include, but are not limited to, amounts held in a sinking fund or a pledged fund. For these purposes, an amount is pledged to pay principal of or interest on an issue if there is reasonable assurance that the amount will be available for such purposes in the event that the issuer encounters financial difficulties.

Sale Proceeds shall mean any amounts actually or constructively received by the issuer from the sale of an issue, including amounts used to pay underwriters' discount or compensation and interest other than Pre-Issuance Accrued Interest.

Treasury Regulations shall mean the Treasury Regulations contained in Sections 1.148-0 through 1.148-11, inclusive, 1.149(b)-1, 1.149(d)-1 and 1.149(g)-1, and 1.150-1 and 1.150-2 as published on June 14, 1993 and to the extent applicable, any subsequent amendments to such regulations or any successor regulations.

Universal Cap shall mean the value of all then outstanding bonds of the issue.

Value (of a Bond) shall mean with respect to a bond issued with not more than two percent original issue discount or original issue premium, the outstanding principal amount, plus accrued unpaid interest; for any other bond, its present value.

Value (of an Investment) shall have the following meaning in the following circumstances:

- i. **General Rules.** Subject to the special rules in the following paragraph, an issuer may determine the value of an investment on a date using one of the following valuation methods consistently applied for all purposes relating to arbitrage and rebate with respect to that investment on that date:
 - (I) an investment with not more than two percent original issue discount or original issue premium may be valued at its outstanding stated principal amount, plus accrued unpaid interest;
 - (II) a fixed rate investment may be valued at its present value;
 - (III) an investment may be valued at its fair market value on a date.
- ii. **Special Rules.** Yield restricted investments are to be valued at present value provided that (except for purposes of allocating transferred proceeds to an issue, for purposes of the universal cap and for investments in a commingled fund other than a bona fide debt service fund unless it is a certain commingled fund):
 - (I) an investment must be valued at its fair market value when it is first allocated to an issue, when it is disposed of and when it is deemed acquired or deemed disposed of, and provided further that;
 - (II) in the case of transferred proceeds, the value of a nonpurpose investment that is allocated to transferred proceeds of a refunding issue on a transfer date may not exceed the value of that investment on the transfer date used for purposes of applying the arbitrage restrictions to the refunded issue.

Appendix II

Rebate Requirement

(a) Generally. Section 148(f) of the Code requires that certain earnings on Nonpurpose Investments allocable to the Gross Proceeds of an issue be paid to the United States to prevent the bonds of the issue from being arbitrage bonds. The arbitrage that must be rebated is based on the difference between the amount actually earned on Nonpurpose Investments and the amount that would have been earned if those investments had a yield equal to the yield on the issue. As of any date, the rebate amount for an issue is the excess of the future value, as of that date, of all receipts on Nonpurpose Investments over the future value, as of that date, of all payments on Nonpurpose Investments. The future value of a payment or receipt at the end of any period is determined using the economic accrual method and equals the value of that payment or receipt when it is paid or received (or treated as paid or received), plus interest assumed to be earned and compounded over the period at a rate equal to the yield on the issue, using the same compounding interval and financial conventions used to compute that yield.

(b) Computation Dates (Other than the Final Computation Date).

(1) Fixed Yield Issues. For a fixed yield issue, an issuer may treat any date as a Computation Date.

(2) Variable Yield Issues. For a variable yield issue, an issuer may treat the last day of any Bond Year that is not later than five years from the Delivery Date as a Computation Date and may not change that treatment after the first rebate payment, if any, is due. After the first rebate payment, if any, is due, an issuer must consistently treat either the end of each Bond Year or the end of each fifth Bond Year as Computation Dates and may not change these Computation Dates after the first rebate payment, if any, is due.

(c) Final Computation Date. The date that an issue is discharged is the Final Computation Date. For an issue retired within three years of its Delivery Date, however, the Final Computation Date need not occur before the end of 8 months after the Delivery Date or during the period in which the issuer reasonably expects that any of the spending exceptions to the rebate requirement will apply to the issue.

(d) Amount of Required Rebate.

(1) Interim Rebate Payments. The first rebate installment payment must be made for a Computation Date that is not later than 5 years after the Delivery Date. Subsequent rebate installment payments must be made for a Computation Date that is not later than 5 years after the previous Computation Date. An issuer must rebate an amount that when added to the future value, as of that Computation Date, of previous rebate payments made for the issue, equals at least 90 percent of the rebate amount as of that date.

(2) Final Computation Date. For the Final Computation Date, a final rebate payment must be paid in an amount that, when added to the future value of previous rebate payments made for the issue, equals 100 percent of the rebate amount as of that date.

(e) Time and Manner of Payment. Each rebate payment must be paid no later than 60 days after the Computation Date to which the payment relates. Any rebate payment paid within this 60-day period may be treated as paid on the Computation Date to which it relates. Each payment made pursuant to this Appendix III shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201, and shall be accompanied by Form 8038-T.

(f) Penalty in Lieu of Loss of Tax Exemption. The failure to pay the correct rebate amount when required will cause the bonds of the issue to be arbitrage bonds, unless the Commissioner determines that the failure was not caused by willful neglect and the issuer promptly pays a penalty to the United States. If no bond of the issue is a private activity bond (other than a qualified 501(c)(3) bond), the penalty equals 50 percent of the rebate amount not paid when required to be paid, plus interest on that amount. Otherwise, the penalty equals 100 percent of the rebate amount not paid when required to be paid, plus interest on that amount. Interest accrues at the underpayment rate under Section 6621 of the Code, beginning on the date the correct rebate amount is due and ending on the date 10 days before it is paid. The penalty is automatically waived if the rebate amount that the issuer failed to pay plus interest is paid within 180 days after discovery of the failure, unless the Commissioner determines that the failure was due to willful neglect, or the issue is under examination by the Commissioner at any time during the period beginning on the date the failure first occurred and ending on the date 90 days after the receipt of the rebate amount. Generally, extensions of this 180-day period and waivers of the penalty in other cases will be granted by the Commissioner only in unusual circumstances.

(g) Recovery of Overpayment of Rebate. An issuer may recover an overpayment of a rebate amount for an issue of bonds by establishing to the satisfaction of the Commissioner that the overpayment occurred. An overpayment is the excess of the amount paid to the United States for an issue under Section 148 over the sum of the rebate amount for the issue as of the most recent Computation Date and all amounts that are otherwise required to be paid under Section 148 as of the date the recovery is requested. Notwithstanding the preceding sentence, an overpayment may be recovered only to the extent that a recovery on the date that it is first requested would not result in an additional rebate amount if that date were treated as a Computation Date. Furthermore, except for overpayments in certain limited circumstance, an overpayment of less than \$5,000 may not be recovered before the Final Computation Date.

(h) Recordkeeping Requirement. An issuer must retain records of the determination of its Rebate Requirement until six years after the retirement of the last obligation of the issue.

Appendix III

Allocation and Accounting Rules

(a) **General Rule.** An issuer may use any reasonable, consistently applied accounting method to account for Gross Proceeds, investments and expenditures of an issue. An accounting method is “consistently applied” if it is applied uniformly within a Fiscal Period and between Fiscal Periods to account for Gross Proceeds of an issue and any amounts that are in a commingled fund.

(b) **Allocation of Gross Proceeds to an Issue.** Amounts are allocable to only one issue at a time as Gross Proceeds. Amounts cease to be allocated to an issue as Proceeds only when those amounts (i) are allocated to an expenditure for a governmental purpose; (ii) are allocated to transferred proceeds of another issue of obligations; or (iii) cease to be allocated to that issue at retirement of the issue or under the Universal Cap.

(c) **Allocation of Gross Proceeds to Investments.** Upon the purchase or sale of a Nonpurpose Investment, Gross Proceeds of an issue are not allocated to a payment for that Nonpurpose Investment in an amount greater than, or to a receipt from that Nonpurpose Investment in an amount less than, the fair market value of the Nonpurpose Investment as of the purchase or sale date. The fair market value of a Nonpurpose Investment is adjusted to take into account Qualified Administrative Costs allocable to the investment. Thus, Qualified Administrative Costs increase the payments for, or decrease the receipts from, a Nonpurpose Investment.

(d) **Allocation of Gross Proceeds to Expenditures.** Reasonable accounting methods for allocating funds from different sources to expenditures for the same governmental purpose include a “specific tracing” method, a “gross-proceeds-spent-first” method, a “first-in-first-out” method or a ratable allocation method, so long as the method used is consistently applied. An allocation of Gross Proceeds of an issue to an expenditure must involve a current outlay of cash for a governmental purpose of the issue. A current outlay of cash means an outlay reasonably expected to occur not later than five banking days after the date as of which the allocation of Gross Proceeds to the expenditure is made. The allocation of Gross Proceeds to expenditures must be accounted for not later than 18 months after the later of the date the expenditure is paid or the date the project, if any, that is financed by the issue is placed in service. This allocation must be made, in any event, by the date 60 days after the fifth anniversary of the issue date or the date 60 days after retirement of the issue, if earlier.

(e) **Commingled Funds.** Any fund or account that contains both Gross Proceeds of an issue and amounts in excess of \$25,000 that are not Gross Proceeds of that issue if the amounts in the fund or account are invested and accounted for collectively, without regard to the source of the funds deposited therein, constitutes a “**commingled fund**.” All payments and receipts (including deemed payments and receipts) on investments held by a commingled fund must be allocated (but not necessarily distributed) among each different source of funds invested in the commingled fund in accordance with a consistently applied, reasonable ratable allocation method. Reasonable ratable allocation methods include, without limitation, methods that allocate payments and receipts in proportion to either (i) the average daily balances of the amounts in the commingled fund from each different source of funds during any consistent time period within its fiscal year, but at least quarterly (the “**Fiscal Period**”); or (ii) the average of the beginning and ending balances of the amounts in the commingled fund from each different source of funds for a Fiscal Period that does not exceed one month.

Funds invested in the commingled fund may be allocated directly to expenditures for governmental purposes pursuant to a reasonable consistently applied accounting method. If a ratable allocation method is used to allocate expenditures from the commingled fund, the same ratable allocation method must be used to allocate payments and receipts on investments in the commingled fund.

Generally a commingled fund must treat all its investments as if sold at fair market value either on the last day of the fiscal year or on the last day of each Fiscal Period. The net gains or losses from these deemed sales of investments must be allocated to each different source of funds invested in the commingled fund during the period since the last allocation. This mark-to-market requirement does not apply if (i) the remaining weighted average maturity of all investments held by a commingled fund during a particular fiscal year does not exceed 18 months, and the investments held by the commingled fund during that fiscal year consist exclusively of obligations; or (ii) the commingled fund operated exclusively as a reserve fund, sinking fund or replacement fund for two or more issues of the same issuer. Subject to the Universal Cap limitation, and the principle that amounts are allocable to only one issue at a time as Gross Proceeds, investments held by a commingled fund that serves as a common reserve fund, replacement fund or sinking fund must be allocated ratably among the issues served by the commingled fund in proportion to either (i) the relative values of the bonds of those issues; (ii) the relative amounts of the remaining maximum annual debt service requirements on the outstanding principal amounts of those issues; or (iii) the relative original stated principal amounts of the outstanding issues.

(f) Universal Cap. Amounts that would otherwise be Gross Proceeds allocable to an issue are allocated (and remain allocated) to the issue only to the extent that the Value of the Nonpurpose Investments allocable to those Gross Proceeds does not exceed the Value of all outstanding bonds of the issue. Nonpurpose Investments allocated to Gross Proceeds in a bona fide debt service fund for an issue are not taken into account in determining the Value of the Nonpurpose Investments, and those Nonpurpose Investments remain allocated to the issue. To the extent that the Value of the Nonpurpose Investments allocable to the Gross Proceeds of an issue exceed the Value of all outstanding bonds of that issue, an issuer should seek the advice of Bond Counsel for the procedures necessary to comply with the Universal Cap.

(g) Expenditure for Working Capital Purposes. Subject to certain exceptions, the Proceeds of an issue may only be allocated to “working capital expenditures” as of any date to the extent that those expenditures exceed “available amounts” as of that date (i.e., “proceeds-spent-last”).

For purposes of this section, “working capital expenditures” include all expenditures other than “capital expenditures.” “Capital expenditures” are costs of a type properly chargeable (or chargeable upon proper election) to a capital account under general Federal income tax principles. Such costs include, for example, costs incurred to acquire, construct, or improve land, buildings and equipment having a reasonably expected useful life in excess of one year. Thus, working capital expenditures include, among other things, expenditures for current operating expenses and debt service.

For purposes of this section, “available amount” means any amount that is available to an issuer for working capital expenditure purposes of the type financed by the issue. Available amount excludes Proceeds of the issue but includes cash, investments and other amounts held in accounts or otherwise by an issuer for working capital expenditures of the type being financed by the issue without legislative or judicial action and without a legislative, judicial, or contractual requirement that those amounts be reimbursed. Notwithstanding the preceding sentence, a “reasonable working capital reserve” is treated as unavailable. A working capital reserve is reasonable if it does not exceed five percent of the actual working capital expenditures of an issuer in the fiscal year before the year in which the determination of available amounts is made. For purpose of the preceding sentence only, in determining the working capital expenditures of an issuer for a prior fiscal year, any expenditures (whether capital or working capital expenditures) that are paid out of current revenues may be treated as working capital expenditures.

The proceeds-spent-last requirement does not apply to expenditures to pay (i) any qualified administrative costs; (ii) fees for qualified guarantees of the issue or payments for a qualified hedge

for the issue; (iii) interest on the issue for a period commencing on the Delivery Date and ending on the date that is the later of three years from the Delivery Date or one year after the date on which the financed project is placed in service; (iv) the United States for yield reduction payments (including rebate payments) or penalties for the failure to meet the spend down requirements associated with certain spending exceptions to the rebate requirement; (v) costs, other than those described in (i) through (iv) above, that do not exceed five percent of the Sale Proceeds of an issue and that are directly related to capital expenditures financed by the issue (e.g., initial operating expenses for a new capital project); (vi) principal or interest on an issue paid from unexpected excess sale or investment proceeds; (vii) principal or interest on an issue paid from investment earnings on a reserve or replacement fund that are deposited in a bona fide debt service fund; and (viii) principal, interest, or redemption premium on a prior issue and, for a crossover refunding issue, interest on that issue. Notwithstanding the preceding paragraph, the exceptions described above do not apply if the allocation merely substitutes Gross Proceeds for other amounts that would have been used to make those expenditures in a manner that gives rise to Replacement Proceeds.

Appendix IV

Value of Investments

(a) Fair Market Value. The fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide arm's-length transaction. Fair market value generally is determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding (i.e., the trade date rather than the settlement date). An investment that is not of a type traded on an established securities market, within the meaning of Section 1273 of the Code, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value. The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

(b) Certificates of Deposit. A certificate of deposit that has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal shall be treated as purchased at its fair market value if the yield on the certificate of deposit is not less than (i) the yield on reasonably comparable direct obligations of the United States; and (ii) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(c) Guaranteed Investment Contracts and Defeasance Escrows. The purchase price of a guaranteed investment contract and a yield restricted defeasance escrow will be treated as its fair market value if:

- (1) the purchaser makes a bona fide solicitation for the purchase of the investment;
- (2) the purchaser receives at least three bids from providers that the purchaser solicited under the bona fide solicitation for the investment and that have no material financial interest in the Bonds (e.g., a lead underwriter during the period ending 15 days after the issuance of the Bonds, a financial advisor with respect to the investment, or a related person) and at least one of such bids is from a reasonably competitive provider (as defined below);
- (3) if the purchaser uses an agent to conduct the bidding process, the agent did not bid on the investment;
- (4) the winning bid—
 - (i) in the case of a guaranteed investment contract, is the highest yielding bona fide bid (net of broker's fees); and
 - (ii) in the case of a yield restricted defeasance escrow, (A) is the lowest cost bona fide bid (including broker's fees), determined either for the entire portfolio or on an investment-by-investment basis and determined taking into account any payments received by the purchaser from a provider for a guaranteed investment contract for a yield restricted defeasance escrow acquired under these bidding procedures; and (B) has a cost (including any broker's fees) that is not greater than the cost of the most efficient portfolio of State and Local Government Series Securities ("SLGS"), determined at the time that the bids for the investment are required to be submitted (unless the sale of SLGS has been suspended as of such time, in which case this requirement shall not apply); and
- (5) the provider of the guaranteed investment contract certifies the administrative costs that it is paying (or expects to pay) to third parties in connection with the guaranteed investment contract;

(d) Bona Fide Solicitation. For purposes of paragraph (c) above, a bona fide solicitation is a solicitation that satisfies each of the following requirements:

(1) the bid specifications are provided, in writing and setting forth all of the material terms of the bid, to potential providers in a timely manner;

(2) the terms of the bid specifications must be commercially reasonable (that is, there must be a legitimate governmental purpose for each of the terms other than to increase the purchase price or reduce the yield) and, for a guaranteed investment contract, must include the purchaser's reasonably expected deposit and drawdown schedule;

(3) all potential providers have an equal opportunity to bid (e.g., no "last looks");

(4) solicitations are made of at least three reasonably competitive providers (defined as providers having an established industry reputation as a competitive provider of the type of investment being purchased); and

(5) the specifications include a statement notifying potential providers that the submission of a bid is a representation that the provider did not consult with any other provider about its bid, that the bid was determined without regard to any other agreement that the provider has with the purchaser or any other person, and that the bid is not being submitted solely as a courtesy to the purchaser or any other person for purposes of satisfying the requirements of paragraph (c) or (d) of this section 3.

The issuer shall maintain records adequate to determine the fair market value of the investments described above. With respect to a guaranteed investment contract or a yield restricted defeasance escrow the issuer shall maintain:

(i) a copy of the investment contract, purchase agreement, or confirmation,

(ii) the receipt or other record of the amount actually paid for the investments, including records of any administrative costs paid by the purchaser and the certification of the investment provider of the administrative costs paid to third parties in connection with the investment,

(iii) for each bid submitted, the name of the person and entity bidding, the term and date of the bid, and the bid results,

(iv) the bid solicitation form and an explanation of any deviations in the terms of the investment from the solicitation form, and

(v) unless sales of SLGS have been suspended, for a yield restricted defeasance escrow, the cost of the most efficient portfolio of SLGS, determined at the time that the bids were required to be submitted under the terms of the bid specifications.

The issuer shall retain records of the determinations required until six years after the Final Computation Date or for such other period as the Treasury Department may, by regulations or rulings, provide.

Appendix V

Spending Exceptions to Rebate

(a) Generally. All, or certain discrete portions, of an issue are treated as meeting the Rebate Requirement if one or more of the spending exceptions set forth in this Appendix are satisfied. Use of the spending exceptions is not mandatory, except that where an issuer elects to apply the 1-1/2 percent penalty (as described below) the issuer must apply that penalty to the Construction Issue. An issuer may apply the Rebate Requirement to an issue that otherwise satisfies a spending exception. Special definitions relating to the spending exceptions are contained in section (h) of this Appendix.

Where several obligations that otherwise constitute a single issue are used to finance two or more separate governmental purposes, the issue constitutes a “multipurpose issue” and the bonds, as well as their respective proceeds, allocated to each separate purpose may be treated as separate issues for purposes of the spending exceptions. In allocating an issue among its several separate governmental purposes, “common costs” are generally not treated as separate governmental purposes and must be allocated ratably among the discrete separate purposes unless some other allocation method more accurately reflects the extent to which any particular separate discrete purpose enjoys the economic benefit (or bears the economic burden) of the certain common costs (e.g., a newly funded reserve for a parity issue that is partially new money and partially a refunding for savings on prior bonds).

Separate purposes include refunding a separate prior issue, financing a separate Purpose Investment (e.g., a separate loan), financing a Construction Issue, and any clearly discrete governmental purpose reasonably expected to be financed by the issue. In addition, as a general rule, all integrated or functionally related capital projects qualifying for the same initial temporary period (e.g., three years) are treated as having a single governmental purpose. Finally, separate purposes may be combined and treated as a single purpose if the proceeds are eligible for the same initial temporary period (e.g., advance refundings of several separate prior issues could be combined, or several non-integrated and functionally unrelated capital projects such as airport runway improvements and a water distribution system).

The spending exceptions described in this Appendix are applied separately to each separate issue component of a multipurpose issue unless otherwise specifically noted.

(b) Six-Month Exception. An issue is treated as meeting the Rebate Requirement under this exception if (i) the gross proceeds of the issue are allocated to expenditures for the governmental purposes of the issue within the six-month period beginning on the issue date (the “**six-month spending period**”) and (ii) the Rebate Requirement is met for amounts not required to be spent within the six-month spending period (excluding earnings on a bona fide debt service fund). For purposes of the six-month exception, “gross proceeds” means Gross Proceeds other than amounts (i) in a bona fide debt service fund, (ii) in a reasonably required reserve or replacement fund, (iii) that, as of the issue date, are not reasonably expected to be Gross Proceeds but that become Gross Proceeds after the end of the six-month spending period, (iv) that represent Sale Proceeds or Investment Proceeds derived from payments under any Purpose Investment of the issue and (v) that represent repayments of grants (as defined in Treasury Regulation Section 1.148-6(d)(4)) financed by the issue. In the case of an issue no bond of which is a private activity bond (other than a qualified 501(c)(3) bond) or a tax or revenue anticipation bond, the six-month spending period is extended for an additional six months for the portion of the proceeds of the issue which are not expended within the six-month spending period if such portion does not exceed the lesser of five percent of the Proceeds of the issue or \$100,000.

(c) 18-Month Exception. An issue is treated as meeting the Rebate Requirement under this exception if all of the following requirements are satisfied:

(i) the gross proceeds are allocated to expenditures for a governmental purpose of the issue in accordance with the following schedule (the **“18-month expenditure schedule”**) measured from the issue date: (A) at least 15 percent within six months, (B) at least 60 percent within 12 months and (C) 100 percent within 18 months;

(ii) the Rebate Requirement is met for all amounts not required to be spent in accordance with the 18-month expenditure schedule (other than earnings on a bona fide debt service fund); and

(iii) all of the gross proceeds of the issue qualify for the initial temporary period under Treasury Regulation Section 1.148-2(e)(2).

For purposes of the 18-month exception, “gross proceeds” means Gross Proceeds other than amounts (i) in a bona fide debt service fund, (ii) in a reasonably required reserve or replacement fund, (iii) that, as of the issue date, are not reasonably expected to be Gross Proceeds but that become Gross Proceeds after the end of the 18-month expenditure schedule, (iv) that represent Sale Proceeds or Investment Proceeds derived from payments under any Purpose Investment of the issue and (v) that represent repayments of grants (as defined in Treasury Regulation Section 1.148-6(d)(4)) financed by the issue. In addition, for purposes of determining compliance with the first two spending periods, the investment proceeds included in gross proceeds are based on the issuer’s reasonable expectations as of the issue date rather than the actual Investment Proceeds; for the third, final period, actual Investment Proceeds earned to date are used in place of the reasonably expected earnings. An issue does not fail to satisfy the spending requirement for the third spending period above as a result of a Reasonable Retainage if the Reasonable Retainage is allocated to expenditures within 30 months of the issue date. The 18-month exception does not apply to an issue any portion of which is treated as meeting the Rebate Requirement as a result of satisfying the two-year exception.

(d) Two-Year Exception. A Construction Issue is treated as meeting the Rebate Requirement for Available Construction Proceeds under this exception if those proceeds are allocated to expenditures for governmental purposes of the issue in accordance with the following schedule (the **“two-year expenditure schedule”**), measured from the issue date:

- (i) at least 10 percent within six months;
- (ii) at least 45 percent within one year;
- (iii) at least 75 percent within 18 months; and
- (iv) 100 percent within two years.

An issue does not fail to satisfy the spending requirement for the fourth spending period above as a result of unspent amounts for Reasonable Retainage if those amounts are allocated to expenditures within three years of the issue date.

(e) Expenditures for Governmental Purposes of the Issue. For purposes of the spending exceptions, expenditures for the governmental purposes of an issue include payments for interest, but not principal, on the issue, and for principal or interest on another issue of obligations. The preceding sentence does not apply for purposes of the 18-month and two-year exceptions if those payments cause the issue to be a refunding issue.

(f) De Minimis Rule. Any failure to satisfy the final spending requirement of the 18-month exception or the two-year exception is disregarded if the issuer exercises due diligence to complete

the project financed and the amount of the failure does not exceed the lesser of three percent of the issue price of the issue or \$250,000.

(g) Elections Applicable to the Two-Year Exception. An issuer may make one or more of the following elections with respect to the two-year spending exception:

(1) Earnings on Reasonably Required Reserve or Replacement Fund. An issuer may elect on or before the issue date to exclude from Available Construction Proceeds the earnings on any reasonably required reserve or replacement fund. If the election is made, the Rebate Requirement applies to the excluded amounts from the issue date.

(2) Actual Facts. For the provisions relating to the two-year exception that apply based on the issuer's reasonable expectations, an issuer may elect on or before the issue date to apply all of those provisions based on actual facts. This election does not apply for purposes of determining whether an issue is a Construction Issue if the 1-1/2 percent penalty in lieu of rebate election described in subsection (g)(4) of this Appendix is made.

(3) Separate Issue. For purposes of the two-year exception, if any proceeds of an issue are to be used for Construction Expenditures, the issuer may elect on or before the issue date to treat the portion of the issue that is not a refunding issue as two, and only two, separate issues, if (i) one of the separate issues is a Construction Issue, (ii) the issuer reasonably expects, as of the issue date, that such Construction Issue will finance all of the Construction Expenditures to be financed by the issue and (iii) the issuer makes an election to apportion the issue in which it identifies the amount of the issue price of the issue allocable to the Construction Issue.

(4) Penalty in Lieu of Rebate. An issuer of a Construction Issue may irrevocably elect on or before the issue date to pay a penalty (the "**1-1/2 percent penalty**") to the United States in lieu of the obligation to pay the rebate amount on Available Construction Proceeds upon failure to satisfy the spending requirements of the two-year expenditure schedule. The 1-1/2 percent penalty is calculated separately for each spending period, including each semiannual period after the end of the fourth spending period, and is equal to 1.5 percent times the underexpended proceeds as of the end of the spending period. For each spending period, underexpended proceeds equal the amount of Available Construction Proceeds required to be spent by the end of the spending period, less the amount actually allocated to expenditures for the governmental purposes of the issue by that date. The 1-1/2 percent penalty must be paid to the United States no later than 90 days after the end of the spending period to which it relates. The 1-1/2 percent penalty continues to apply at the end of each spending period and each semiannual period thereafter until the earliest of the following: (i) the termination of the penalty under Treasury Regulation Section 1.148-7(l), (ii) the expenditure of all of the Available Construction Proceeds or (iii) the last stated final maturity date of bonds that are part of the issue and any bonds that refund those bonds. If an issue meets the exception for Reasonable Retainage except that all retainage is not spent within three years of the issue date, the issuer must pay the 1-1/2 percent penalty to the United States for any Reasonable Retainage that was not so spent as of the close of the three-year period and each later spending period.

(h) Special Definitions Relating to Spending Exceptions.

(1) Available Construction Proceeds shall mean, with respect to an issue, the amount equal to the sum of the issue price of the issue, earnings on such issue price, earnings on amounts in any reasonably required reserve or replacement fund not funded from the issue (subject to the election referred to in section (g)(1) of this Appendix) and earnings on all of the foregoing earnings, less the amount of such issue price in any reasonably required reserve or replacement fund and less the issuance costs financed by the issue. For purposes of this definition, earnings include earnings on any Tax-exempt Bond. Unless the issuer otherwise elects as described in Section (g)(2) of this Appendix,

for the first three spending periods of the two-year expenditure schedule described in Treasury Regulation Section 1.148-7(e), Available Construction Proceeds include the amount of future earnings that the issuer reasonably expected as of the issue date. For the fourth spending period described in Treasury Regulation Section 1.148-7(e) and any subsequent date, as of which computations are made, Available Construction Proceeds include the actual earnings received to that date and earnings expected as of that date to be earned in the future. Earnings on any reasonably required reserve or replacement fund are Available Construction Proceeds only if the issuer did not elect to exclude such earnings pursuant to the election described in paragraph (g)(1) of this Appendix and only to the extent that those earnings accrue before the earlier of (i) the date construction is substantially completed or (ii) the date that is two years after the issue date. For this purpose, construction may be treated as substantially completed when the issuer abandons construction or when at least 90 percent of the total costs of the construction that the issuer reasonably expects as of such date will be financed with proceeds of the issue have been allocated to expenditures. If only a portion of the construction is abandoned, the date of substantial completion is the date that the non-abandoned portion of the construction is substantially completed.

(2) Construction Expenditures shall mean capital expenditures (as defined in Treasury Regulation Section 1.150-1) that are allocable to the cost of Real Property or Constructed Personal Property. Construction Expenditures do not include expenditures for acquisitions of interests in land or other existing Real Property.

(3) Construction Issue shall mean any issue that is not a refunding issue if (i) the issuer reasonably expects, as of the issue date, that at least 75 percent of the Available Construction Proceeds of the issue will be allocated to Construction Expenditures for property owned by a governmental unit or a 501(c)(3) organization and (ii) any private activity bonds that are part of the issue are qualified 501(c)(3) bonds or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

(4) Constructed Personal Property shall mean Tangible Personal Property or Specially Developed Computer Software if (i) a substantial portion of the property is completed more than six months after the earlier of the date construction or rehabilitation commenced and the date the issuer entered into an acquisition contract; (ii) based on the reasonable expectations of the issuer, if any, or representations of the person constructing the property, with the exercise of due diligence, completion of construction or rehabilitation (and delivery to the issuer) could not have occurred within that six-month period; and (iii) if the issuer itself builds or rehabilitates the property, not more than 75 percent of the capitalizable cost is attributable to property acquired by the issuer.

(5) Real Property shall mean land and improvements to land, such as buildings or other inherently permanent structures, including interests in real property. For example, Real Property includes wiring in a building, plumbing systems, central heating or air-conditioning systems, pipes or ducts, elevators, escalators installed in a building, paved parking areas, roads, wharves and docks, bridges, and sewage lines.

(6) Reasonable Retainage shall mean an amount, not to exceed five percent of (i) Available Construction Proceeds as of the end of the two-year expenditure schedule (in the case of the two-year exception to the Rebate Requirement) or (ii) Net Sale Proceeds as of the end of the 18-month expenditure schedule (in the case of the 18-month exception to the Rebate Requirement), that is retained for reasonable business purposes relating to the property financed with the issue. For example, a Reasonable Retainage may include a retention to ensure or promote compliance with a construction contract in circumstances in which the retained amount is not yet payable, or in which the issuer reasonably determines that a dispute exists regarding completion or payment.

(7) Specially Developed Computer Software shall mean any programs or routines used to cause a computer to perform a desired task or set of tasks, and the documentation required to describe and maintain those programs, provided that the software is specially developed and is functionally related and subordinate to Real Property or other Constructed Personal Property.

(8) Tangible Personal Property shall mean any tangible property other than Real Property, including interests in tangible personal property. For example, Tangible Personal Property includes machinery that is not a structural component of a building, subway cars, fire trucks, automobiles, office equipment, testing equipment, and furnishings.

(i) Special Rules Relating to Refundings.

(1) Transferred Proceeds. In the event that a prior issue that might otherwise qualify for one of the spending exceptions is refunded, then for purposes of applying the spending exceptions to the prior issue, proceeds of the prior issue that become transferred proceeds of the refunding issue continue to be treated as unspent proceeds of the prior issue; if such unspent proceeds satisfy the requirements of one of the spending exceptions then they are not subject to rebate either as proceeds of the prior issue or of the refunding issue. Generally, the only spending exception applicable to refunding issues is the six-month exception. In applying the six-month exception to a refunding of a prior issue, only transferred proceeds of the refunding issue from a taxable prior issue and other amounts excluded from the definition of gross proceeds of the prior issue under the special definition of gross proceeds contained in section (b) above are treated as gross proceeds of the refunding issue and so are subject to the six-month exception applicable to the refunding issue.

(2) Series of Refundings. In the event that an issuer undertakes a series of refundings for a principal purpose of exploiting the difference between taxable and tax-exempt interest rates, the six-month spending exception is measured for all issues in the series commencing on the date the first bond of the series is issued.

(j) Elections Applicable to Pool Bonds. An issuer of a pooled financing issue can elect to apply the spending exceptions separately to each loan from the date such loan is made or, if earlier, on the date one year after the date the pool bonds are issued. In the event this election is made, no spending exceptions are available and the normal Rebate Requirement applies to Gross Proceeds prior to the date on which the applicable spending periods begin. In the event this election is made, the issuer may also elect to make all elections applicable to the two-year spending exception, described in section (g) above, separately for each loan; any such elections that must ordinarily be made prior to the issue date must then be made by the issuer before the earlier of the date the loan is made or one year after the issue date.

Appendix VI

De Minimis Private Use Exceptions

(1) **Long-term arrangements not treated as general public use.** An arrangement is not treated as general public use if the term of the use under the arrangement, including all renewal options, is greater than 200 days. For this purpose, a right of first refusal to renew use under the arrangement is not treated as a renewal option if:

(a) the compensation for the use under the arrangement is redetermined at generally applicable, fair market value rates that are in effect at the time of renewal; and

(b) the use of the financed property under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business.

(2) **Arrangements not available for use on the same basis by natural persons not engaged in a trade or business.** Use by a nongovernmental person pursuant to an arrangement, other than an arrangement resulting in ownership of financed property by a nongovernmental person, is not private business use if:

(a) the term of the use under the arrangement, including all renewal options, is not longer than 100 days;

(b) the arrangement would be treated as general public use, except that it is not available for use on the same basis by natural persons not engaged in a trade or business because generally applicable and uniformly applied rates are not reasonably available to natural persons not engaged in a trade or business; and

(c) the property is not financed for a principal purpose of providing that property for use by that nongovernmental person.

(3) **Negotiated arm's-length arrangements.** Use by a nongovernmental person pursuant to an arrangement, other than an arrangement resulting in ownership of financed property by a nongovernmental person, is not private business use if:

(a) the term of the use under the arrangement, including all renewal options, is not longer than 50 days;

(b) the arrangement is a negotiated arm's-length arrangement, and compensation under the arrangement is at fair market value; and

(c) the property is not financed for a principal purpose of providing that property for use by that nongovernmental person.

(4) **Incidental use.** Incidental uses of a financed facility (e.g. pay telephones, vending machines, advertising displays and use for television cameras) are disregarded, to the extent that those uses do not exceed 2.5 percent of the proceeds of the issue used to finance the facility. A use of a facility by a nongovernmental person is incidental if:

(a) except for vending machines, pay telephones, kiosks, and similar uses, the use does not involve the transfer to the nongovernmental person of possession and control of space that is separated from other areas of the facility by walls, partitions, or other physical barriers, such as a night gate affixed to a structural component of a building (a nonpossessory use);

(b) the nonpossessory use is not functionally related to any other use of the facility by the same person (other than a different nonpossessory use); and

(c) all nonpossessory uses of the facility do not, in the aggregate, involve the use of more than 2.5 percent of the facility.

(5) **Qualified improvements.** Proceeds that provide a governmental owned improvement to a governmentally owned building (including its structural components and land functionally related and subordinate to the building) are not used for a private business use if:

(a) the building was placed in service more than 1 year before the construction or acquisition of the improvement is begun;

(b) the improvement is not an enlargement of the building or an improvement of interior space occupied exclusively for any private business use;

(c) no portion of the improved building or any payments in respect of the improved building are taken into account under section 141(b)(2)(A) (the private security test); and

(d) no more than 15 percent of the improved building is used for a private business use.

Appendix VII

Management or Service Contract Guidelines

1. For contracts for services of non-exempt persons in which all compensation is based on a percentage of fees charged or a combination of a per-unit fee and a percentage of revenue or expense fee for service rendered by the non-exempt person:

(a) the term of the contract (including renewal options) may not exceed two years;

(b) the contract is cancelable by the qualified user without cause or penalty by giving the non-exempt person reasonable (30 days) notice at the end of the first year of the contract term;

(c) the compensation, which must be reasonable, may not be based on a percentage of the net profits from the operation of the facility; during the start-up period of the facility, however, compensation may be based on a percentage of either gross revenues, adjusted gross revenues (gross revenues less allowances for bad debts and contractual and similar allowances) or expenses of the facility; and

(d) the services provided pursuant to the contract are primarily to third parties and not to the qualified user (e.g., operation of a cafeteria) or the contract term covers the initial start-up period of the facility for which there have been insufficient operations to establish a reasonable estimate of the amount of annual gross revenues and expenses (e.g., a contract for general management services for the first year of operation).

2. For contracts for services of non-exempt persons in which at least 80 percent of the compensation for services for each annual period during the term of the contract is based on a periodic fixed fee (e.g., a stated dollar amount of compensation is paid each month):

(a) the term of the contract, including all renewal options, must not exceed the lesser of 80 percent of the reasonably expected useful life of the financed property and 10 years.

(b) the compensation, which must be reasonable, may not be based on any percentage of the net profits of the facility; however, it may be increased automatically if the increase does not exceed the percentage increases determined by a specified objective, external standard for computing such increase (e.g., the Consumer Price Index or similar external indices that track prices in an area or increases in revenues or costs in an industry). A fee does not fail to qualify as a periodic fixed fee as a result of a one-time incentive award during the term of the contract under which compensation automatically increases when a gross revenue or expense target (but not both) is reached if that award is equal to a single, stated dollar amount.

3. For contracts for services of non-exempt persons in which at least 95 percent of the compensation for services for each annual period during the term of the contract is based on a periodic fixed fee:

(a) the term of the contract, including all renewal options, must not exceed the lesser of 80 percent of the reasonably expected useful life of the financed property and 15 years.

(b) the compensation, which must be reasonable, may not be based on any percentage of the net profits of the facility; however, it may be increased automatically if the increase does not exceed the percentage increases determined by a specified objective, external standard for computing such increase (e.g., the Consumer Price Index or similar external indices that track prices in an area or increases in revenues or costs in an industry). A fee does not fail to qualify as a periodic fixed fee as a result of a one-time incentive award during the term of the contract under which compensation automatically increases when a gross revenue or expense target (but not both) is reached if that award is equal to a single, stated dollar amount.

4. For contracts for services of non-exempt persons in which at least 50 percent of the compensation for services for each annual period during the term of the contract is based on a periodic fixed fee and no amount of compensation is based on a capitation fee (fixed amount paid per person served where service provided varies significantly among persons served) or a per-unit fee (stated dollar amount paid for each service provided) or any combination thereof:

(a) the term of the contract (including renewal options) may not exceed five years;

(b) the contract is cancelable by the qualified user without cause or penalty upon reasonable notice at the end of the third year of the contract term; and

(c) the compensation, which must be reasonable, may not be based on any percentage of the net profits of the facility; however, it may be increased automatically if the increase does not exceed the percentage increases determined by a specified objective, external standard for computing such increase (e.g., the Consumer Price Index or similar external indices that track prices in an area or increases in revenues or costs in an industry).

5. For contracts for services of non-exempt persons in which all of the compensation is based on a capitation fee or a combination of capitation fee and a periodic fixed fee:

(a) Compensation for the services must be reasonable and cannot be based in any part on the net profits of the facility; and

(b) the term of the contract (including renewal options) may not exceed five years and the contract must be cancelable by the qualified user, upon reasonable notice, without cause or penalty at the end of the third year of the contract term.

6. For contracts for services of non-exempt persons in which all of the compensation is based upon a per-unit fee or a combination of a per-unit fee and a periodic fixed fee:

(a) The term of the contract (including renewal options) may not exceed three years and the qualified user must have the option, upon reasonable notice, to cancel the contract without cause or penalty at the end of the second year of the contract term;

(b) No amount of compensation to the non-exempt person is based on a share of net profits; and

(c) The amount of the per-unit fee must be specified in the contract or otherwise specifically limited by the qualified user or an independent third party.

7. With respect to all of the above described contracts, the non-exempt person must not have the ability to limit the qualified user's exercise of its rights under the contract. In particular, not

more than 20 percent of the voting power of the governing body of the qualified user may be exercisable in the aggregate by the non-exempt person and its respective directors, officers, shareholders and employees. In addition, no member of the governing board of the qualified user may be the chief executive officer of the non-exempt person or its governing body and vice versa. Finally, the qualified user and the non-exempt person must not be members of the same controlled group, as defined in Section 1.150-1(f) of the Treasury Department Regulations, or related persons, as defined in Section 144(a)(3) of the Internal Revenue Code of 1986, as amended.

CERTIFICATE CONCERNING LITIGATION

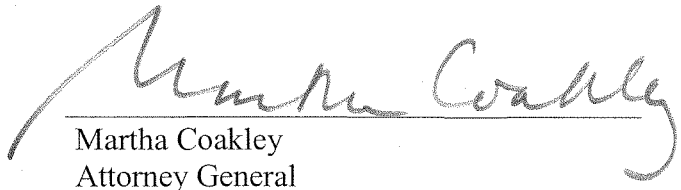
Re: \$469,635,000 The Commonwealth of Massachusetts General Obligation Bonds,
Consolidated Loan of 2011, consisting of \$462,840,000 Series B and \$6,795,000
Series C (BuildMassBonds) (collectively, the "Bonds")

I, Martha Coakley, hereby certify that I am the Attorney General of The Commonwealth of Massachusetts (the "Commonwealth"). Reference is made to (i) the Bond Purchase Agreement dated May 24, 2011, between the Commonwealth and J.P. Morgan Securities LLC, as representative of the underwriters (the "Bond Purchase Agreement"), (ii) the Preliminary Official Statement relating to the Bonds dated May 13, 2011 (the "Preliminary Official Statement"), and (iii) the Official Statement relating to the Bonds dated May 24, 2011 (the "Official Statement"). This certificate is rendered pursuant to Paragraph 6(e)(2) of the Bond Purchase Agreement.

I certify on behalf of the Department of the Attorney General that, as of the date hereof, the following statements are true and correct:

No litigation is pending or, to the knowledge of the undersigned, threatened, seeking to enjoin the issuance, sale, execution and delivery of the Bonds or the execution, delivery or performance of the Bond Purchase Agreement or in any way contesting or affecting the validity of or security for the Bonds or the levy or collection of any material portion of the taxes or other revenues of the Commonwealth (except as described in the Official Statement under the heading "Litigation"), or contesting in any way the completeness, accuracy or fairness of the Official Statement or contesting the title to the office of any Commonwealth official signing the Bonds or the Official Statement.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the 1st day of June, 2011.



Martha Coakley
Attorney General

THE COMMONWEALTH OF MASSACHUSETTS

Re: \$469,635,000 The Commonwealth of Massachusetts General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B and \$6,795,000 Series (BuildMassBonds) (collectively, the "Bonds")

Debt Limit Certification

We, Steven Grossman and Martin J. Benison, hereby certify that we are the Treasurer and Receiver-General and Comptroller, respectively, of The Commonwealth of Massachusetts (the "Commonwealth") and, in connection with the issuance of the above-referenced Bonds, hereby further certify as follows:

As computed in accordance with the provisions of Section 60A of Chapter 29 of the General Laws of the Commonwealth, the sum of the principal amounts of all direct bonds issued by the Commonwealth and currently outstanding as of June 1, 2011, not including the Bonds, is the amount set forth on Schedule A hereto. No additional bonds have been issued since March 30, 2011.

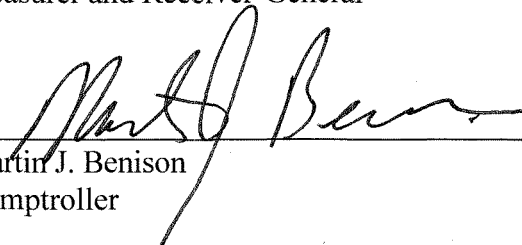
As computed in accordance with the provisions of the aforesaid Section 60A, the debt limit for all direct bonds issued by the Commonwealth and outstanding as of the date hereof is the amount set forth on Schedule A hereto.

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IN WITNESS WHEREOF, the undersigned have executed this certificate this 1st day of June,
2011.

A handwritten signature in black ink, appearing to read "Steven Grossman", written over a horizontal line.

Steven Grossman
Treasurer and Receiver-General

A handwritten signature in black ink, appearing to read "Martin J. Benison", written over a horizontal line.

Martin J. Benison
Comptroller

SCHEDULE A

Outstanding Direct Bonds as of June 1, 2011 = \$15,834,683,532.72

Debt Limit: \$18,042,424,394.98

CERTIFICATE AS TO ALLOCATION OF BOND PROCEEDS

The undersigned, Steven Grossman, Treasurer and Receiver-General of The Commonwealth of Massachusetts (the "Commonwealth"), hereby certifies as follows:

The Commonwealth is issuing, as of the date hereof, its \$469,635,000 aggregate principal amount of General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B and \$6,795,000 Series C (BuildMassBonds) (collectively, the "Bonds"). Pursuant to the provisions of Section 49 of Chapter 29 of the Massachusetts General Laws, as amended, the Bonds are being consolidated and \$517,967,423.51 of the net proceeds of the Bonds (the "Proceeds") are being allocated to one or more of the various bond authorizations described on Schedule A hereto.

In accordance with the provisions of said Section 49, the Proceeds as described on Schedule B hereto shall be allocated as of the date hereof to the reporting categories as described on Schedule B hereto. In the case of proceeds being allocated to reimburse the Commonwealth for previously expended amounts, as shown on Schedule B, such expenditures have not been previously allocated proceeds of any bonds issued by the Commonwealth.

In accordance with the provisions of said Section 49, the Proceeds not described in Schedule B will be allocated to one or more of the subfunds described in Schedule A hereto subsequent to the date hereof as expenditures are made, subject to the approval of bond counsel.

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IN WITNESS WHEREOF, the undersigned has executed this certificate this 1st day of June, 2011.

A handwritten signature in black ink, appearing to read 'Steven Grossman', written over a horizontal line.

Steven Grossman
Treasurer and Receiver-General
The Commonwealth of Massachusetts

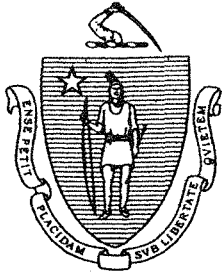
Schedule A

THE COMMONWEALTH OF MASSACHUSETTS

\$469,635,000

General Obligation Bonds,
Consolidated Loan of 2011, consisting of
\$462,840,000 Series B and
\$6,795,000 Series C (BuildMassBonds)

COPY OF COMPTROLLER'S BAUR



The Commonwealth of Massachusetts
Office of the Comptroller
One Ashburton Place, Room 901
Boston, Massachusetts 02108

MARTIN J. BENISON
COMPTROLLER

PHONE: (617) 727-5000
FAX: (617) 727-2163
INTERNET: <http://www.mass.gov/osc>

DECLARATION OF OFFICIAL INTENT

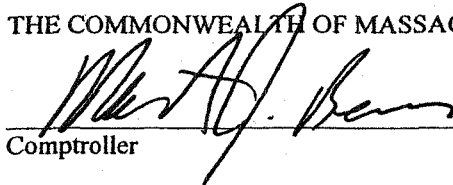
The undersigned, Comptroller of The Commonwealth of Massachusetts (the "Commonwealth"), hereby states the following:

1. This shall constitute a "Declaration of Official Intent" pursuant to the provisions of Section 1.150-2 U.S. Department of Treasury Regulations.
2. The Commonwealth expects to spend amounts on deposit in its General Fund to pay the costs of Capital expenditures (the "Expenditures") in the amounts and for the purposes as described in the reports referred to in Schedule A hereto. The Commonwealth reasonably expects to reimburse itself for all such Expenditures with the proceeds of debt to be incurred by the Commonwealth. The amount of such Expenditures is the maximum principal amount of debt the Commonwealth intends to issue for each such purpose. The maximum principal amount of bonds expected to be issue under each bond authorized to which such Expenditures relate is set forth on Schedule B hereto.

In Witness Whereof, the undersigned has executed this Declaration of Official Intent this 24th day of May 2011.

THE COMMONWEALTH OF MASSACHUSETTS

BY:


Comptroller

SCHEDULE A

The following reports are available for public inspection at the Office of the Comptroller, One Ashburton Place, Room 909, Boston MA 02108 and are hereby incorporated in the Declaration of Official Intent by reference:

1. Amount of Expenditures to be reimbursed by debt. Such amounts are set forth in the following reports.

Warrant Analysis by Appropriation Type (Capital Expenditures)	MMARS Report NAP625W
Summary of Warranted Payments by Fund	MMARS Report NAP627WS
Detail Monthly Warranted Payments by Fund/Class	MMARS Report NAP627WD

2. Purpose of Expenditures. The Expenditures Classification Handbook outlines a description of expenditures incorporated herein by reference.

SCHEDULE B- BONDS AUTHORIZED AND UNISSUED AS OF:

Month May Day 18th 2011 MMARS REPORT NGA265S

EXECUTIVE SECRETARY
MAY 24 2011
RECEIVED

SCHEDULE C-BOND FUNDS

Fund - 182	<u>Capital Expenditure Reserve Fund</u> Established for the purpose of recording Central Artery / Third Harbor Tunnel expenditures funded by revenues received from the Massachusetts Turnpike Authority and the Massachusetts Port Authority.
Fund - 200	<u>General Capital Projects</u> Various purpose capital projects which include asbestos removal from schools, pier redevelopment, water pollution control facilities, public housing, public buildings, correctional facilities environmental facilities, airport facilities, cultural facilities, and mass transit all as more particularly described in Schedule B above.
Fund - 201	<u>Capital Investment Trust Fund</u> Various purpose capital projects which includes appropriations for infrastructure, economic development, information technology and housing. These appropriations are funded by transfers of operating surpluses.
Fund - 202	<u>Capital Reserve Offset Fund</u> Surplus operating revenue as determined by the Comptroller in accordance with Section 5C of Chapter 29 MGL to be applied to various bond authorizations in lieu of proceeds from the issuance of long term debt.
Fund - 203	<u>Boston Convention and Exhibition Center Fund</u> Various convention center projects includes Boston convention center project, Springfield Civic Center, Worcester Convention Center, basketball hall of fame all as more particularly described in Schedule B above.
Fund - 204	<u>Capital Improvement and Investment Trust Fund</u> Various purpose capital projects which includes appropriations for infrastructure, economic development, information technology and housing. Transfers of operating surpluses fund these appropriations.
Fund - 210	<u>Highway capital Projects</u> Various highway and related transportation projects, all more particularly described in Schedule B above.
Fund - 220	<u>Inland Fish and Game Capital Projects</u> Various fish and game capital projects, all as more particularly described in Schedule B above.
Fund - 230	<u>State Recreation Area Capital Projects</u> Various capital projects for recreation areas within the Commonwealth, all as more particularly described in Schedule B above.
Fund - 240	<u>Metro Parks Capital Projects</u> Various parks projects within the metropolitan Boston area, all as more particularly described in Schedule B above.
Fund - 270	<u>General Obligation Federally Assisted Housing</u> Various federally assisted housing projects, all more particularly described in Schedule B above.
Fund - 271	<u>Local Aid capital Projects</u> Various projects for municipalities including schools, highway improvements, library facilities, water pollution abatement, solid waste facilities, community development facilities, and courthouse facilities, all more particularly described in Schedule B above.
Fund - 272	<u>Lockup Facilities</u> Various correctional facilities, all as more particularly described in Schedule B above.
Fund - 273	<u>Suffolk County Jail</u> Construction of new Suffolk County Jail, all as more particularly described in Schedule B above.
Fund - 274	<u>County Correctional Institution</u> County correctional facilities, as more particularly described in Schedule B above.
Fund - 275	<u>Local Infrastructure</u> Various municipal capital projects, all as more particularly described in Schedule B above.
Fund - 276	<u>Water Pollution Control</u> Various water pollution control projects, all as more particularly described in Schedule B above.
Fund - 278	<u>Government Land Bank</u> Various capital projects for the Massachusetts Government Land Bank, all as more particularly described in Schedule B above.
Fund - 279	<u>Environmental Challenge</u> Various environmental facilities, all more particularly described in Schedule B above.
Fund - 280	<u>Intercity Bus Capital Projects</u> Various intercity bus capital projects, all as more particularly described in Schedule B above.

Schedule B

COMMONWEALTH OF MASSACHUSETTS

REPORT ID: NGA265S

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RUN DATE: 05-25-2011

BONDS AUTHORIZED AND UNISSUED

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THROUGH PERIOD 11, FY 2011

FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0006	0006	\$0.00	\$0.00	\$0.00	\$371.12	\$0.00
0007	CHILD WELFARE INFOSYS A95C96S5	\$0.00	\$0.00	\$146,309.44	\$146,309.44	\$0.00
0010	WATER POLLUTION CONTROL82	\$0.00	\$0.00	\$0.00	\$20,148,790.73	\$0.00
0011	STATE ARMORY LOAN 1982	\$0.00	\$0.00	\$0.00	\$338,406.62	\$0.00
0013	0013	\$0.00	\$0.00	\$0.00	\$300.00	\$0.00
0026	0026	\$0.00	\$0.00	\$0.00	\$50,000.00	\$0.00
0042	ENERGY CONSERV BD A83C700	\$0.00	\$0.00	\$0.00	\$34,005.67	\$0.00
005C	ACTS OF 1995 CH.263 S.3	\$381,625.66	\$191,106.84	(\$191,199.34)	\$3,515,057.92	\$0.00
0069	PARKING FACIL.LOAN 1980	\$0.00	\$0.00	\$0.00	\$22,779,384.57	\$0.00
007C	ACTS OF 1995 CH.277 S.5	\$1,636,217.56	\$4,972,587.46	(\$3,513,773.86)	\$5,977,842.92	\$0.00
0084	0084	\$0.00	\$0.00	\$511,164.49	\$0.00	\$0.00
0089	CAP.OUTLAY LOAN ACT 1978	\$0.00	\$0.00	(\$85.16)	\$0.00	\$0.00
008C	ACTS OF 1995 CH.277 S.11	\$0.00	\$0.00	(\$5.95)	\$0.00	\$0.00
0090	CAPITAL OUTLAY LOAN 1979	\$0.00	\$0.00	\$0.00	\$21,000.00	\$0.00
0092	CAPITAL OUTLAY LOAN 1980	\$0.00	\$0.00	\$0.00	\$6,328.36	\$0.00
0097	0097	\$0.00	\$0.00	\$0.00	\$1,156,105.00	\$0.00
0099	0099	\$0.00	\$0.00	\$0.00	\$10,000,000.30	\$0.00
0103	0103	\$0.00	\$0.00	\$0.00	\$0.04	\$0.00
010C	ENV.ENH.&OPSP&ACQ&PRESA96C15S3	\$25,136.00	\$73,497.28	(\$103,636.71)	\$883,764.43	\$0.00
0119	GREYLOCK GLEN DEV.LN.1985	\$29,818.14	\$89,247.91	(\$60,003.00)	\$2,684,298.10	\$0.00
011C	ENV ENH&OPSPC&ACQ&PRESA96C15S2	\$0.00	\$1,500,000.00	(\$4,990,395.83)	\$7,303,759.76	\$0.00
0123	CH 123A 06S2BNONTAX	\$970,337.25	\$76,992.53	\$0.00	\$89,470,337.25	\$0.00
0126	DMH CAP OUTLAY A1987 C167 S.5	\$2,781,890.75	\$17,257.05	\$0.00	\$5,470,365.38	\$0.00
0127	CAPITL OUTLAY LN A87 C199 S127	\$0.00	\$0.00	\$0.00	\$175,203.89	\$0.00
0128	CAP OUT REPAIR LA87 C199 S129	\$0.00	\$0.00	(\$2,030.14)	\$0.00	\$0.00
012C	CRIMJUS.YTHSER&PRSEXP.A96C12S3	\$1,150,317.43	\$2,201,777.80	(\$419,010.13)	\$32,048,517.49	\$0.00
0133	HSG PRESV NGHBD DEV A93C494S6	\$8,777,650.29	\$884,505.91	(\$210,355.30)	\$17,284,245.17	\$0.00
013C	SEAPORT REVIL.LOAN A96C28S3	\$0.00	\$0.00	(\$3,495.11)	\$46,167,341.92	\$0.00

COMMONWEALTH OF MASSACHUSETTS

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BONDS AUTHORIZED AND UNISSUED
 THROUGH PERIOD 11, FY 2011

FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0140	TRANSP DEVEL & IMP. A94C273S2D	\$0.00	\$0.00	\$0.00	\$47,818,217.85	\$0.00
0142	TRANSP DEVEL & IMP. A94C273S2G	\$125,470.92	\$109,787.84	(\$79,909.96)	\$2,762,385.98	\$0.00
0144	HI ED CAP.OUTLAY LN A95C267S3	\$1,753,734.53	\$10,381,584.70	(\$6,567,663.39)	\$35,618,902.54	\$0.00
0145	CAP OUT EQP REPLMT A86 C206S77	\$0.00	\$0.00	\$0.00	\$12,595.04	\$0.00
0148	0148	\$0.00	\$0.00	\$0.00	\$0.64	\$0.00
014C	COMM.RAIL.CAP.ENHNCMT A96C28S5	\$0.00	\$0.00	\$0.00	\$35,000,000.00	\$0.00
0150	PUBLIC HOUSING LOAN A87C226S4	\$248,480.00	\$0.00	\$0.00	\$259,972.77	\$0.00
0153	ENERGY CONSERVATN BD A87C670S3	\$0.00	\$0.00	\$0.00	\$697,408.10	\$0.00
0161	RAIL TRANS LN A88 C15 S27	\$0.00	\$0.00	\$289.76	\$682,392.51	\$0.00
0170	HIGHER ED FACIL LN A88C208S7	\$0.00	\$0.00	\$0.00	\$18,300,422.90	\$0.00
0173	CAP REP+CONST LN A88C208S17	\$0.00	\$0.00	\$1,089.41	\$1,190,412.01	\$0.00
0176	CAPITAL OUTL LN A88C164S94	\$0.00	\$29,330.00	(\$13,930.00)	\$1,737,245.49	\$0.00
0177	CAPITAL OUTL LN A88C164S95	\$0.00	\$0.00	\$0.00	\$3,489,255.30	\$0.00
017C	INFO TECH LN (2) A96C294S3	\$0.00	\$0.00	\$0.00	\$69,064.26	\$0.00
0194	STATE HSE REN & IMP A92C69S19	\$2,452,409.85	\$3,348,169.29	(\$422,700.37)	\$4,668,151.63	\$0.00
0196	WEL ELG CPT SYS DEV LA92C194S4	\$0.00	\$0.00	\$0.00	\$2,933,787.26	\$0.00
0198	CAPITAL REPAIRS & IMPROVEMENTS	\$210,690.51	\$74,475.34	(\$26,753.07)	\$11,315,866.26	\$0.00
019C	RAIL TRNSP.LNA96C205S15	\$4,732.55	(\$5,381.45)	\$0.00	\$132,162.97	\$0.00
020C	AIRPORT CAP.OUTLAY A96C205S17	\$1,778,513.69	\$2,120,377.29	(\$1,466,888.82)	\$30,876,715.43	\$0.00
023C	METRO ST.HOSP.REDEV.LN OF 1996	\$0.00	\$0.00	\$146,310.09	\$233,142.76	\$0.00
027C	Capital Expenditure Act of 200	\$20,667,298.50	\$4,683,076.49	(\$2,742,976.65)	\$98,820,754.49	\$0.00
031C	ECON.DEV.FACILITIES A97C152S14	\$0.00	\$0.00	\$0.00	\$44,392,221.31	\$0.00
035C	HSING PRSV & NBHD LN S3C257A98	\$1,100.00	\$0.00	\$0.00	\$11,798.71	\$0.00
036C	SUFFOLK COURTHOUSE EXTERIOR	\$5,900.83	\$26,309.12	(\$363,633.24)	\$5,064,734.24	\$0.00
040C	C55S4A99HWYCAPIMPLN	\$0.10	\$0.00	(\$3.17)	\$950,108.27	\$0.00
045C	A2000C237S5	\$86,658.34	\$2,598.64	(\$15,819.61)	\$267,154.45	\$0.00
046C	A2000C237S6	\$0.00	\$8,902.10	\$0.00	\$1,598,173.92	\$0.00
047C	A2000C238S5	\$146,879.25	\$74,415.35	(\$218.35)	\$687,958.19	\$0.00

COMMONWEALTH OF MASSACHUSETTS

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BONDS AUTHORIZED AND UNISSUED

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THROUGH PERIOD 11, FY 2011

FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
048C	A2000C245S5	\$0.00	\$0.00	(\$7,908.00)	\$164,408.17	\$0.00
049C	A2000C235S9	\$0.00	\$0.00	\$0.00	\$270.81	\$0.00
050C	A2000C202S3	\$0.00	\$0.00	\$0.00	\$0.01	\$0.00
055C	INFO-TECH LN A2002C142S3	\$1,696,039.89	\$6,416,906.32	(\$1,000,867.33)	\$13,812,528.87	\$0.00
056C	A2002 CH 236 SEC 3	\$14,452,452.46	\$7,614,621.61	(\$7,385,271.89)	\$111,510,566.34	\$0.00
057C	ACT2002C244SEC3	\$7,673,631.50	\$2,411,937.11	(\$1,709,348.39)	\$111,165,639.38	\$0.00
058C	A2002C245S4	\$2,796,364.89	\$7,907,886.80	(\$1,883,144.57)	\$82,985,452.14	\$0.00
059C	A202C246S4	\$10,050,744.00	\$9,221,102.04	(\$2,601,023.12)	\$38,922,666.34	\$0.00
060C	HWY SECURITY IMP PROGRAM LOAN	\$0.00	\$0.00	\$0.00	\$659,802.06	\$0.00
061C	INTERMODAL TRANS IMP LOAN '04	\$516,029.61	\$0.00	\$0.00	\$18,609,561.62	\$0.00
062C	RAIL TRANS ASSISTANCE LOAN ACT	\$620,575.89	\$71,481.40	(\$780,884.74)	\$4,891,142.87	\$0.00
063C	CAPITAL OUTLAY LOAN '04 - A04C	\$375,000.00	\$300,000.00	\$0.00	\$18,153,306.35	\$0.00
064C	MBTA SUBWAY & COMMUTER RAIL LO	\$0.00	\$0.00	\$0.00	\$849,750,000.00	\$0.00
066C	COURT IMP LOAN '04 - A04C290S3	\$26,266,062.99	\$34,562,317.77	(\$25,244,188.44)	\$106,273,610.21	\$0.00
067C	HOUSING PROD & MOD '04 - A04C2	\$8,946,719.30	\$7,513,586.41	(\$3,307,035.45)	\$12,447,750.75	\$0.00
073C	Housing for Low & Moderate Inc	\$30,502,796.42	\$43,703,099.98	(\$21,747,512.12)	\$593,504,323.02	\$0.00
074C	Housing for Low & Moderate Inc	\$74,286,431.73	\$45,193,978.79	(\$18,644,954.96)	\$479,347,058.52	\$0.00
075C	CH 240 ACTS OF 2010 SEC 2B	\$0.00	\$0.00	\$0.00	\$25,000,000.00	\$0.00
555C	A08 C258 S3 Public Higher Educ	\$131,034,927.80	\$100,426,976.07	(\$66,137,534.90)	\$2,037,070,939.97	\$0.00
563C	A08 C304 S16 Capital Facilitie	\$1,300,452.74	\$6,175,764.58	(\$3,856,001.04)	\$325,018,135.52	\$0.00
564C	A08 C304 S17 Capital Improve	\$29,511,839.05	\$63,386,064.17	(\$41,660,765.39)	\$336,203,462.54	\$0.00
565C	A08 C304 S18 Capital Improve	\$43,079,805.91	\$68,999,119.10	(\$34,454,825.17)	\$754,456,286.38	\$0.00
565L	A08 C304 S18 Capital Improve	\$63,789,141.04	\$46,321,041.54	(\$29,889,597.81)	\$687,545,513.32	\$0.00
565T	A08 C304 S18 Capital Improve	\$1,993,915.66	\$2,364,151.71	(\$3,954,241.66)	\$285,988,000.00	\$0.00
566L	A08 C304 S19 Capital Improve	\$10,006,875.25	\$15,304,876.17	(\$28,257,613.20)	\$560,000,000.00	\$0.00
567C	A08 C312 S15 Preservation/Impr	\$53,780,142.65	\$76,014,126.85	(\$44,957,456.65)	\$1,115,710,610.20	\$0.00
568C	A08 C312 S16 Environmental Tr	\$7,398,782.35	\$10,561,223.62	(\$6,115,505.17)	\$289,432,500.54	\$0.00
569C	A08 C130 S46 Life Sciences Cen	\$8,783,024.42	\$14,788,179.98	(\$730,620.60)	\$446,013,645.02	\$0.00

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FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
570T	A08 C231 S2 MA Broadband Bill	\$15,789,225.67	\$7,468,175.31	(\$6,852,323.72)	\$32,641,549.39	\$0.00
AHT2	Affordable Housing Trust Fund	\$4,852.75	\$24,500,000.00	(\$8,360,297.78)	\$9,822,484.79	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$196,817,409.77	\$0.00	\$0.00	\$0.00
CEA7	Capital Expenditure Act of 200	\$56,892,597.89	\$105,645,765.03	(\$30,868,439.54)	\$182,890,066.18	\$0.00
Q123	CH 123A 06 S2BTAX	\$4,917,249.89	\$7,459,251.69	(\$2,516,431.07)	\$50,224,882.97	\$0.00
FUND TOTALS:		\$649,700,543.90	\$942,009,661.31	(\$413,313,116.68)	\$10,195,468,905.64	\$0.00

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FUND: 0201 Capital Investment Trust Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
028C	CAPITAL INVESTMENT TRUST FUND	\$0.00	\$0.00	\$0.00	\$101,968.40	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$0.00	\$101,968.40	\$0.00

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FUND: 0203 Convention Center and Exhibition Center Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
032C	S.O.BNDS (CONV.CTR) A97C152S11	\$0.00	\$0.00	\$8,392,626.94	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$8,392,626.94	\$0.00	\$0.00

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FUND: 0204 Capital Improvement and Investment Trust Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
041C	C55 ACTS OF 1999 S2A	\$0.00	\$27,822.65	(\$80,791.57)	\$150,364.92	\$0.00
043C	A2000C236S81	\$0.00	\$0.00	(\$40,322.49)	\$3,517,963.49	\$0.00
BREF	Proceeds of Bond Refunding	\$0.00	\$1,444,443.53	\$0.00	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$1,472,266.18	(\$121,114.06)	\$3,668,328.41	\$0.00

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FUND: 0210 Highway Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0207	ACCEL TRANSP & DEV. A94C273S2A	\$747,057.67	\$345,473.17	(\$164,724.76)	\$8,280,471.84	\$0.00
0208	ACCEL TRANSP & DEV. A94C273S2B	\$757,567.23	\$539,377.80	(\$313,967.32)	\$3,261,731.91	\$0.00
0222	0222	\$0.00	\$0.00	\$0.00	\$0.38	\$0.00
0237	HY IMP LN A83 C723 S11E	\$0.00	\$0.00	\$0.00	\$40,000.00	\$0.00
0247	HIGHWAY IMPR LN,CH15,S10,A88	\$0.00	\$0.00	\$0.00	\$912,181.70	\$0.00
0253	HIGHWAY IMPROVEMNT LN A91C33S11	\$0.00	\$0.00	\$0.00	\$5,000,000.00	\$0.00
0255	HIGHWAY IMPROVEMNT LN A91C33S13	\$111,821.35	\$0.00	\$75,395.55	\$36,424.90	\$0.00
0256	HIGHWAY IMPROVEMNT LN A91C33S14	\$0.00	\$27,425.03	(\$18,382.27)	\$17,879.17	\$0.00
0263	SPC OBG REV HY IMP LN A91C33S8	\$82,859.07	\$166,460.94	(\$166,460.94)	\$249,199.01	\$0.00
0268	HWY IMP LN A94C102S4	\$0.00	\$0.00	\$180,170.00	\$62,194.49	\$0.00
503C	HWY IMPRVMT LN ACT A96C113S4	\$15,053.25	\$234,151.04	(\$169,320.33)	\$385,185.15	\$0.00
505C	HWY IMPRVMT LN A96C205S4	\$31,385.91	\$498,411.10	(\$416,929.40)	\$72,713,251.47	\$0.00
506C	506C	\$0.00	\$0.00	\$0.00	\$1,397.36	\$0.00
507C	HWY IMPRVMT LN A96C205S6	\$0.00	\$0.00	\$0.00	\$2,538.58	\$0.00
509C	INTERMODAL TRNP.IMP.A96C205S13	\$1,520,703.00	\$0.00	\$74,054.12	\$1,710,749.70	\$0.00
513C	PROJECT PLANNING & COORDINATN	\$7,193,030.35	\$5,391,527.49	(\$3,504,878.18)	\$95,298,647.03	\$0.00
517C	HWY IMPRVNT LN A07C27S8	\$92,724,666.97	\$81,726,315.57	(\$49,016,904.52)	\$203,050,825.78	\$0.00
521C	C53S2CA99HWYIMPLN	\$0.00	\$0.00	\$0.00	\$22.63	\$0.00
523C	C55S4A99HWYCAPIMPLN	\$238,813.56	\$246,954.99	(\$87,244.37)	\$1,349,273.67	\$0.00
524C	524C	\$0.00	\$0.00	\$0.00	\$1.00	\$0.00
527C	HWY IMP LN ACT 2000 A00C87S5	\$0.00	\$0.00	(\$1.88)	\$34,351,309.53	\$0.00
530C	A2000C235S5 (2B)	\$12,010,826.81	\$8,214,222.78	(\$6,729,627.26)	\$101,992,226.91	\$0.00
531C	A2000C235S6 (2C)	\$84,350.40	\$9,001.62	(\$2,436.62)	\$5,363,577.63	\$0.00
532C	A2000C235S7 (2D)	\$600,362.85	\$0.00	\$0.00	\$1,330,021.38	\$0.00
533C	A2000C535S8 (2E)	\$9,326,649.67	\$1,125,151.24	(\$640,917.01)	\$23,257,478.14	\$0.00
543C	SPEC OBL REV HWY IMP LOAN '04	\$24,012,459.11	\$10,630,497.15	(\$7,385,748.56)	\$235,435,258.17	\$0.00
544C	HWY IMP LOAN '04 - A04C291S5	\$73,781,431.39	\$14,863,059.74	(\$13,093,262.11)	\$106,032,229.96	\$0.00
545C	HWY IMP LOAN '04 - A04C291S6	\$0.00	\$0.00	\$0.00	\$3,007,792.94	\$0.00

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FUND: 0210 Highway Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
546C	RTA IMP LOAN '04 - A04C291S8	\$645,249.21	\$133,212.39	(\$1,633,212.39)	\$3,977,614.97	\$0.00
547C	MOBILITY ASSISTANCE PROG IMP L	\$0.00	(\$142.09)	\$0.00	\$2,304.89	\$0.00
550C	Trans Imp Bill A08C86S2A	\$47,342,009.75	\$109,403,891.96	(\$38,340,751.61)	\$142,123,326.97	\$0.00
551C	Trans Imp Bill A08C86S2B	\$32,921,195.79	\$17,559,348.18	(\$13,832,802.49)	\$52,588,225.26	\$0.00
552C	Trans Imp Bill A08C86S2C	\$144,256.75	\$191,078.10	(\$90,047.99)	\$7,429,867.54	\$0.00
553C	Trans Imp Bill A08C86S2D	\$8,692,845.18	\$6,026.82	(\$6,026.82)	\$708,000,000.00	\$0.00
554C	C233 8 A. 08 Structurally Defi	\$291,370,859.33	\$213,545,569.13	\$161,601,187.29	\$2,311,413,298.24	\$0.00
556C	A08 C303 S47 Transportation Im	\$15,964,216.37	\$2,512,824.66	(\$3,359,115.65)	\$585,300,000.00	\$0.00
557C	A08 C303 S48 Transportation Im	\$133,510,785.04	\$115,205,502.42	(\$86,940,246.77)	\$323,853,957.02	\$0.00
558C	A08 C303 S49 Transportation Im	\$62,133,687.44	\$15,198,093.26	(\$11,394,888.09)	\$198,023,674.50	\$0.00
558T	A08 C303 S49 Transportation Im	\$0.00	\$0.00	\$0.00	\$20,000,000.00	\$0.00
559C	A08 C303 S50 Transportation Im	\$157,339.71	\$1,227,119.88	(\$1,295,962.64)	\$17,441,666.52	\$0.00
560C	A08 C303 S51 Transportation Im	\$0.00	\$0.00	\$0.00	\$72,000,000.00	\$0.00
561C	A08 C303 S52 Transportation Im	\$0.00	\$0.00	\$0.00	\$40,000,000.00	\$0.00
562C	A08 C303 S53 Transportation Im	\$0.00	\$0.00	\$0.00	\$15,366,500.00	\$0.00
572C	CH 240 ACTS OF 2010 SEC 2B	\$4,776,000.00	\$1,632,618.69	(\$1,632,618.69)	\$50,000,000.00	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$132,102,223.45	\$0.00	\$0.00	\$0.00
DR05	Cross Over Refunding 2005-A	\$0.00	\$3,539,853.13	\$1,824.49	\$0.00	\$0.00
FUND TOTALS:		\$820,897,483.16	\$736,275,249.64	(\$78,303,847.22)	\$5,450,662,306.34	\$0.00

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FUND: 0211 State Bond Share Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0252	HIGHWAY IMPROVEMNT LN A91C33S10	\$0.00	\$0.00	\$0.00	\$53,166,787.18	\$0.00
0287	HWY IMP LN A94C273S4	\$0.00	\$0.00	\$0.00	\$60,699,133.00	\$0.00
0288	HWY IMP LN A94C102S3	\$0.00	(\$13,622.00)	\$13,622.00	\$70,016,235.00	\$0.00
502C	HWY IMPRVMT LN ACT A96C113S3	\$0.00	\$1,122.00	(\$8,942.56)	\$7,982,434.56	\$0.00
504C	HWY IMPRVMT LN A96C205S3	\$0.00	(\$160,249.00)	\$1.00	\$4,488,943.00	\$0.00
510C	A97C11S3 HWY IMP LOAN 1997	\$0.00	\$132,176.00	\$0.38	\$38,321,046.62	\$0.00
511C	A97C11S5 HWY IMP LOAN 1997	\$0.00	\$0.00	\$0.00	\$57,585,090.00	\$0.00
512C	A97C11S9 HWYIMPLN 97GANS/BNDS	\$0.00	\$0.00	\$0.00	\$216,002.00	\$0.00
522C	C55S3A99HWYCAPIMPLN	\$0.00	\$17,049.00	(\$244,369.00)	\$284,740.00	\$0.00
526C	HWY IMP LN ACT 2000 A00C87S4	\$0.00	\$13,476.00	(\$68,775.00)	\$12,232,224.00	\$0.00
527C	HWY IMPRVNT LN A07C27S7	\$0.00	(\$15,270,951.00)	(\$47,831,475.94)	\$49,373,707.94	\$0.00
528C	A2000 C235 S3(2)	\$0.00	(\$501,614.00)	(\$4,526,057.67)	\$33,942,099.67	\$0.00
529C	A2000C235S4(2A)	\$0.00	\$1,581,094.00	(\$2,677,618.81)	\$167,313,390.80	\$0.00
541C	ACTS OF 2003 CH.40 SEC.3	\$0.00	(\$1,809,957.00)	(\$28,172,757.22)	\$39,966,359.22	\$0.00
542C	HWY IMP LOAN '04 - A04C291S3	\$0.00	\$1,596,424.00	(\$9,101,701.37)	\$27,050,601.37	\$0.00
549C	A08C86S2 Trans Imp Bill State	\$0.00	\$52,645,939.00	(\$57,036,292.74)	\$385,167,020.73	\$0.00
BREF	Bond Refunding	\$0.00	\$22,719,893.03	\$0.00	\$0.00	\$0.00
CAT1	CA/T (0202/0252) A91C33S10	\$0.00	\$0.00	\$0.00	\$10,216,908.00	\$0.00
CAT2	CA/T (0288) A94C102S3	\$0.00	\$0.00	(\$496.00)	\$22,358,452.00	\$0.00
CAT3	CA/T (0290/0287) A94C273S4	\$0.00	\$102,136.00	(\$1,822,449.00)	\$4,097,037.00	\$0.00
CAT4	CA/T (504C) A96C205S3	\$0.00	\$0.00	\$0.00	\$334,750.00	\$0.00
CAT5	CA/T (502C) A96C113S4	\$0.00	\$0.00	\$0.00	\$2,938,804.00	\$0.00
CAT6	CA/T (510C) A97C11S3	\$0.00	\$43,613.00	(\$43,609.00)	\$68,903,836.00	\$0.00
FUND TOTALS:		\$0.00	\$61,096,529.03	(\$151,520,920.93)	\$1,116,655,602.09	\$0.00

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FUND: 0212 Central Artery Statewide Road & Bridge Infrastructure Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
525C	CAT/TWT INF LN A2000 A00C87S3	\$4,182,557.12	\$463,757.53	\$6,012,992.46	\$4,282.86	\$0.00
538C	GO BOND SALE 2002C	\$58,502.04	\$118,204.78	\$85,888.16	\$0.00	\$0.00
BREF	Bond Refunding	\$0.00	\$46,252,252.72	\$0.00	\$0.00	\$0.00
C228	C/A CH 228 PROCEEDS	\$9,600,154.17	\$3,144,699.38	\$11,220,666.27	\$0.00	\$0.00
DFSD	OP FNDS TRFR A2000 C87S15	\$50.00	\$0.00	\$810.89	\$0.00	\$0.00
PKE3	MASS PIKE PMT A2000 C87 S11	\$0.00	\$0.00	\$107.55	\$0.00	\$0.00
PRT3	MASS PORT PMT A2000 C87 S11	\$50.00	\$0.00	\$162.04	\$0.00	\$0.00
RMV1	EXCESS RMV REVENUESS15C87A2000	\$130,395.72	\$169,056.81	\$52,482,351.83	\$0.00	\$0.00
FUND TOTALS:		\$13,971,709.05	\$50,147,971.22	\$69,802,979.20	\$4,282.86	\$0.00

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FUND: 0240 Metro Parks Capital

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0375	Met Parks Dis Loan	\$0.00	\$0.00	\$0.07	\$87,633.83	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$0.07	\$87,633.83	\$0.00

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FUND: 0271 Local Aid Capital Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0373	CHARLES RIV.WTR.QLTY.LN72	\$0.00	\$0.00	\$0.00	\$4,869.05	\$0.00
0375	MET. PARKS DIST.LOAN 1974	\$0.00	\$0.00	\$0.00	\$184,246.87	\$0.00
0603	LOC SLD WST FAC L&G A87C584S27	\$0.00	\$0.00	\$10,069.48	\$0.00	\$0.00
0607	CRTHSE CONST&REN LN A88C203S28	\$0.00	\$6,517.00	(\$6,517.00)	\$8,217.00	\$0.00
0608	IMPROVEMENT CT HSES A88C203S24	\$0.00	\$0.00	\$0.00	\$7,187.50	\$0.00
0613	CAP OTLY LN A94C85S3	\$8,550.00	\$5,500.00	(\$5,500.00)	\$1,067,931.24	\$0.00
0614	0614	\$0.00	\$0.00	\$0.00	\$20,713.69	\$0.00
0618	TRANSP DEVEL & IMP. A94C273S2K	\$0.00	\$0.00	\$0.00	\$9,914,237.31	\$0.00
0656	WATER POLLUTION CTRL F276 A85	\$0.00	\$0.00	\$0.00	\$7,331.00	\$0.00
700C	700C	\$0.00	\$0.00	\$10,835.00	(\$10,835.00)	\$0.00
713C	A2002 CH 236 SEC 4	\$0.00	\$0.00	\$0.00	\$0.01	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$108,357,866.47	\$0.00	\$0.00	\$0.00
SBA1	MASS SCHOOL BUILD ASSIS FUND L	\$0.00	\$0.00	\$0.01	(\$0.01)	\$0.00
FUND TOTALS:		\$8,550.00	\$108,369,883.47	\$8,887.49	\$11,203,898.66	\$0.00

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FUND: 0278 Government Land Bank Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0650	GOVT LAND BANK FD LN A77C732S6	\$762,672.00	\$1,237,328.00	(\$603,326.23)	\$9,939,303.80	\$0.00
FUND TOTALS:		\$762,672.00	\$1,237,328.00	(\$603,326.23)	\$9,939,303.80	\$0.00

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FUND: 0289 Bond Ahead Fund (Holding account - memo only)

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0000	Zero Subfund for 0289 Fund	\$0.00	\$0.00	\$2,503,950.90	\$0.00	\$0.00
0291	Bond Proceeds	\$0.00	\$0.00	\$389,505,703.09	\$0.00	\$0.00
S10D	Proceeds from Bond Sales	\$0.00	\$0.00	\$236,576,910.59	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$628,586,564.58	\$0.00	\$0.00
GRAND FUND TOTALS:		\$1,485,340,958.11	\$1,900,608,888.85	\$62,928,733.16	\$16,787,792,230.03	\$0.00

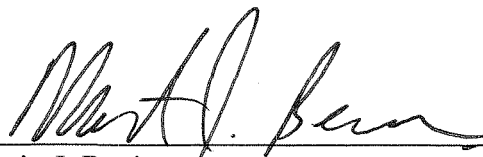
CERTIFICATE OF THE COMPTROLLER

RE: \$469,635,000 The Commonwealth of Massachusetts General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B and \$6,795,000 Series C (BuildMassBonds), dated June 1, 2011 (collectively, the “Bonds”)

I, the undersigned, Martin J. Benison, hereby certify that I am the Comptroller of The Commonwealth of Massachusetts (the “Commonwealth”) and, in connection with the issuance of the Bonds, hereby certify as follows:

1. Attached as Exhibit A is the Bonds Authorized and Unissued Report NGA265s which was prepared in the Office of the Comptroller from records maintained therein and lists the bond funds of the Commonwealth.
2. The column captioned “Net Liquid Assets” on the attached Exhibit A indicates, where the amount is followed by the designation “ - ,” an amount of money which, as of May 25, 2011, has actually been expended from the General Fund of the Commonwealth on projects authorized to be financed from the Sub Fund in question.
3. With respect to the amounts referred to in paragraph 2 hereof, the Commonwealth intended to reimburse itself from the proceeds of the sale of bonds issued for such purposes. All such expenditures were made after the Commonwealth issued a Declaration of Official Intent through the Comptroller in the form attached hereto as Exhibit B (in each case relating to weekly expenditures to be made from the Commonwealth's General Fund) and each such Declaration of Intent was available for inspection by the general public at the office of the Comptroller of the Commonwealth.
4. The Office of the Comptroller also provides the Office of the Treasurer and Receiver-General of the Commonwealth (the “Treasurer’s Office”) with a Monthly Bond Fund Report NGA264s that describes the detail of expenditures by Sub Fund that have occurred within the previous 18-month period from the date of such report. The Treasurer’s Office may rely on such report to determine the actual date of expenditures for reimbursement purposes. For purposes of this bond issue, such expenditures shall have occurred after November 26, 2009.
5. The column captioned “Authorized and Unissued” on the attached Exhibit A indicates, for a particular Sub Fund, the amount, as of May 25, 2011, of authorized but unissued bonds of the Commonwealth relating to such Sub Fund less the amount of any appropriations relating to such bond authorization which have expired or reverted and less the amount of any federal or other revenues which have been received by the Commonwealth and credited to such Sub Fund to finance projects relating to such Sub Funds.

IN WITNESS WHEREOF, the undersigned has hereby executed this Certificate as of the
1st day of June, 2011.

A handwritten signature in black ink, appearing to read "Martin J. Benison", written over a horizontal line.

Martin J. Benison
Comptroller of The Commonwealth of
Massachusetts

Exhibit A

COMMONWEALTH OF MASSACHUSETTS

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BONDS AUTHORIZED AND UNISSUED
THROUGH PERIOD 11, FY 2011

FUND: 0200 General Capital Projects Fund

SUB				NET LIQUID	AUTHORIZED	TEMPORARY
FUND	NAME	ENCUMBRANCES	EXPENDITURES	ASSET	AND UNISSUED	LOANS
0006	0006	\$0.00	\$0.00	\$0.00	\$371.12	\$0.00
0007	CHILD WELFARE INFOSYS A95C96S5	\$0.00	\$0.00	\$146,309.44	\$146,309.44	\$0.00
0010	WATER POLLUTION CONTROL82	\$0.00	\$0.00	\$0.00	\$20,148,790.73	\$0.00
0011	STATE ARMORY LOAN 1982	\$0.00	\$0.00	\$0.00	\$338,406.62	\$0.00
0013	0013	\$0.00	\$0.00	\$0.00	\$300.00	\$0.00
0026	0026	\$0.00	\$0.00	\$0.00	\$50,000.00	\$0.00
0042	ENERGY CONSERV BD A83C700	\$0.00	\$0.00	\$0.00	\$34,005.67	\$0.00
005C	ACTS OF 1995 CH.263 S.3	\$381,625.66	\$191,106.84	(\$191,199.34)	\$3,515,057.92	\$0.00
0069	PARKING FACIL.LOAN 1980	\$0.00	\$0.00	\$0.00	\$22,779,384.57	\$0.00
007C	ACTS OF 1995 CH.277 S.5	\$1,636,217.56	\$4,972,587.46	(\$3,513,773.86)	\$5,977,842.92	\$0.00
0084	0084	\$0.00	\$0.00	\$511,164.49	\$0.00	\$0.00
0089	CAP.OUTLAY LOAN ACT 1978	\$0.00	\$0.00	(\$85.16)	\$0.00	\$0.00
008C	ACTS OF 1995 CH.277 S.11	\$0.00	\$0.00	(\$5.95)	\$0.00	\$0.00
0090	CAPITAL OUTLAY LOAN 1979	\$0.00	\$0.00	\$0.00	\$21,000.00	\$0.00
0092	CAPITAL OUTLAY LOAN 1980	\$0.00	\$0.00	\$0.00	\$6,328.36	\$0.00
0097	0097	\$0.00	\$0.00	\$0.00	\$1,156,105.00	\$0.00
0099	0099	\$0.00	\$0.00	\$0.00	\$10,000,000.30	\$0.00
0103	0103	\$0.00	\$0.00	\$0.00	\$0.04	\$0.00
010C	ENV.ENH.&OPSP&ACQ&PRESA96C15S3	\$25,136.00	\$73,497.28	(\$103,636.71)	\$883,764.43	\$0.00
0119	GREYLOCK GLEN DEV.LN.1985	\$29,818.14	\$89,247.91	(\$60,003.00)	\$2,684,298.10	\$0.00
011C	ENV ENH&OPSPC&ACQ&PRESA96C15S2	\$0.00	\$1,500,000.00	(\$4,990,395.83)	\$7,303,759.76	\$0.00
0123	CH 123A 06S2BNONTAX	\$970,337.25	\$76,992.53	\$0.00	\$89,470,337.25	\$0.00
0126	DMH CAP OUTLAY A1987 C167 S.5	\$2,781,890.75	\$17,257.05	\$0.00	\$5,470,365.38	\$0.00
0127	CAPITL OUTLAY LN A87 C199 S127	\$0.00	\$0.00	\$0.00	\$175,203.89	\$0.00
0128	CAP OUT REPAIR LA87 C199 S129	\$0.00	\$0.00	(\$2,030.14)	\$0.00	\$0.00
012C	CRIMJUS.YTHSER&PRSEXP.A96C12S3	\$1,150,317.43	\$2,201,777.80	(\$419,010.13)	\$32,048,517.49	\$0.00
0133	HSG PRESV NGHBD DEV A93C494S6	\$8,777,650.29	\$884,505.91	(\$210,355.30)	\$17,284,245.17	\$0.00
013C	SEAPORT REVIL.LOAN A96C28S3	\$0.00	\$0.00	(\$3,495.11)	\$46,167,341.92	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0140	TRANSP DEVEL & IMP. A94C273S2D	\$0.00	\$0.00	\$0.00	\$47,818,217.85	\$0.00
0142	TRANSP DEVEL & IMP. A94C273S2G	\$125,470.92	\$109,787.84	(\$79,909.96)	\$2,762,385.98	\$0.00
0144	HI ED CAP.OUTLAY LN A95C267S3	\$1,753,734.53	\$10,381,584.70	(\$6,567,663.39)	\$35,618,902.54	\$0.00
0145	CAP OUT EQP REPLMT A86 C206S77	\$0.00	\$0.00	\$0.00	\$12,595.04	\$0.00
0148	0148	\$0.00	\$0.00	\$0.00	\$0.64	\$0.00
014C	COMM.RAIL.CAP.ENHNMT A96C28S5	\$0.00	\$0.00	\$0.00	\$35,000,000.00	\$0.00
0150	PUBLIC HOUSING LOAN A87C226S4	\$248,480.00	\$0.00	\$0.00	\$259,972.77	\$0.00
0153	ENERGY CONSERVATN BD A87C670S3	\$0.00	\$0.00	\$0.00	\$697,408.10	\$0.00
0161	RAIL TRANS LN A88 C15 S27	\$0.00	\$0.00	\$289.76	\$682,392.51	\$0.00
0170	HIGHER ED FACIL LN A88C208S7	\$0.00	\$0.00	\$0.00	\$18,300,422.90	\$0.00
0173	CAP REP+CONST LN A88C208S17	\$0.00	\$0.00	\$1,089.41	\$1,190,412.01	\$0.00
0176	CAPITAL OUTL LN A88C164S94	\$0.00	\$29,330.00	(\$13,930.00)	\$1,737,245.49	\$0.00
0177	CAPITAL OUTL LN A88C164S95	\$0.00	\$0.00	\$0.00	\$3,489,255.30	\$0.00
017C	INFO TECH LN (2) A96C294S3	\$0.00	\$0.00	\$0.00	\$69,064.26	\$0.00
0194	STATE HSE REN & IMP A92C69S19	\$2,452,409.85	\$3,348,169.29	(\$422,700.37)	\$4,668,151.63	\$0.00
0196	WEL ELG CPT SYS DEV LA92C194S4	\$0.00	\$0.00	\$0.00	\$2,933,787.26	\$0.00
0198	CAPITAL REPAIRS & IMPROVEMENTS	\$210,690.51	\$74,475.34	(\$26,753.07)	\$11,315,866.26	\$0.00
019C	RAIL TRNSP.LNA96C205S15	\$4,732.55	(\$5,381.45)	\$0.00	\$132,162.97	\$0.00
020C	AIRPORT CAP.OUTLAY A96C205S17	\$1,778,513.69	\$2,120,377.29	(\$1,466,888.82)	\$30,876,715.43	\$0.00
023C	METRO ST.HOSP.REDEV.LN OF 1996	\$0.00	\$0.00	\$146,310.09	\$233,142.76	\$0.00
027C	Capital Expenditure Act of 200	\$20,667,298.50	\$4,683,076.49	(\$2,742,976.65)	\$98,820,754.49	\$0.00
031C	ECON.DEV.FACILITIES A97C152S14	\$0.00	\$0.00	\$0.00	\$44,392,221.31	\$0.00
035C	HSING PRSV & NBHD LN S3C257A98	\$1,100.00	\$0.00	\$0.00	\$11,798.71	\$0.00
036C	SUFFOLK COURTHOUSE EXTERIOR	\$5,900.83	\$26,309.12	(\$363,633.24)	\$5,064,734.24	\$0.00
040C	C55S4A99HWYCAPIMPLN	\$0.10	\$0.00	(\$3.17)	\$950,108.27	\$0.00
045C	A2000C237S5	\$86,658.34	\$2,598.64	(\$15,819.61)	\$267,154.45	\$0.00
046C	A2000C237S6	\$0.00	\$8,902.10	\$0.00	\$1,598,173.92	\$0.00
047C	A2000C238S5	\$146,879.25	\$74,415.35	(\$218.35)	\$687,958.19	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
048C	A2000C245S5	\$0.00	\$0.00	(\$7,908.00)	\$164,408.17	\$0.00
049C	A2000C235S9	\$0.00	\$0.00	\$0.00	\$270.81	\$0.00
050C	A2000C202S3	\$0.00	\$0.00	\$0.00	\$0.01	\$0.00
055C	INFO-TECH LN A2002C142S3	\$1,696,039.89	\$6,416,906.32	(\$1,000,867.33)	\$13,812,528.87	\$0.00
056C	A2002 CH 236 SEC 3	\$14,452,452.46	\$7,614,621.61	(\$7,385,271.89)	\$111,510,566.34	\$0.00
057C	ACT2002C244SEC3	\$7,673,631.50	\$2,411,937.11	(\$1,709,348.39)	\$111,165,639.38	\$0.00
058C	A2002C245S4	\$2,796,364.89	\$7,907,886.80	(\$1,883,144.57)	\$82,985,452.14	\$0.00
059C	A202C246S4	\$10,050,744.00	\$9,221,102.04	(\$2,601,023.12)	\$38,922,666.34	\$0.00
060C	HWY SECURITY IMP PROGRAM LOAN	\$0.00	\$0.00	\$0.00	\$659,802.06	\$0.00
061C	INTERMODAL TRANS IMP LOAN '04	\$516,029.61	\$0.00	\$0.00	\$18,609,561.62	\$0.00
062C	RAIL TRANS ASSISTANCE LOAN ACT	\$620,575.89	\$71,481.40	(\$780,884.74)	\$4,891,142.87	\$0.00
063C	CAPITAL OUTLAY LOAN '04 - A04C	\$375,000.00	\$300,000.00	\$0.00	\$18,153,306.35	\$0.00
064C	MBTA SUBWAY & COMMUTER RAIL LO	\$0.00	\$0.00	\$0.00	\$849,750,000.00	\$0.00
066C	COURT IMP LOAN '04 - A04C290S3	\$26,266,062.99	\$34,562,317.77	(\$25,244,188.44)	\$106,273,610.21	\$0.00
067C	HOUSING PROD & MOD '04 - A04C2	\$8,946,719.30	\$7,513,586.41	(\$3,307,035.45)	\$12,447,750.75	\$0.00
073C	Housing for Low & Moderate Inc	\$30,502,796.42	\$43,703,099.98	(\$21,747,512.12)	\$593,504,323.02	\$0.00
074C	Housing for Low & Moderate Inc	\$74,286,431.73	\$45,193,978.79	(\$18,644,954.96)	\$479,347,058.52	\$0.00
075C	CH 240 ACTS OF 2010 SEC 2B	\$0.00	\$0.00	\$0.00	\$25,000,000.00	\$0.00
555C	A08 C258 S3 Public Higher Educ	\$131,034,927.80	\$100,426,976.07	(\$66,137,534.90)	\$2,037,070,939.97	\$0.00
563C	A08 C304 S16 Capital Facilitie	\$1,300,452.74	\$6,175,764.58	(\$3,856,001.04)	\$325,018,135.52	\$0.00
564C	A08 C304 S17 Capital Improveme	\$29,511,839.05	\$63,386,064.17	(\$41,660,765.39)	\$336,203,462.54	\$0.00
565C	A08 C304 S18 Capital Improveme	\$43,079,805.91	\$68,999,119.10	(\$34,454,825.17)	\$754,456,286.38	\$0.00
565L	A08 C304 S18 Capital Improveme	\$63,789,141.04	\$46,321,041.54	(\$29,889,597.81)	\$687,545,513.32	\$0.00
565T	A08 C304 S18 Capital Improveme	\$1,993,915.66	\$2,364,151.71	(\$3,954,241.66)	\$285,988,000.00	\$0.00
566L	A08 C304 S19 Capital Improveme	\$10,006,875.25	\$15,304,876.17	(\$28,257,613.20)	\$560,000,000.00	\$0.00
567C	A08 C312 S15 Preservation/Impr	\$53,780,142.65	\$76,014,126.85	(\$44,957,456.65)	\$1,115,710,610.20	\$0.00
568C	A08 C312 S16 Environmental Tr	\$7,398,782.35	\$10,561,223.62	(\$6,115,505.17)	\$289,432,500.54	\$0.00
569C	A08 C130 S46 Life Sciences Cen	\$8,783,024.42	\$14,788,179.98	(\$730,620.60)	\$446,013,645.02	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0200 General Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
570T	A08 C231 S2 MA Broadband Bill	\$15,789,225.67	\$7,468,175.31	(\$6,852,323.72)	\$32,641,549.39	\$0.00
AHT2	Affordable Housing Trust Fund	\$4,852.75	\$24,500,000.00	(\$8,360,297.78)	\$9,822,484.79	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$196,817,409.77	\$0.00	\$0.00	\$0.00
CEA7	Capital Expenditure Act of 200	\$56,892,597.89	\$105,645,765.03	(\$30,868,439.54)	\$182,890,066.18	\$0.00
Q123	CH 123A 06 S2BTAX	\$4,917,249.89	\$7,459,251.69	(\$2,516,431.07)	\$50,224,882.97	\$0.00
FUND TOTALS:		\$649,700,543.90	\$942,009,661.31	(\$413,313,116.68)	\$10,195,468,905.64	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0201 Capital Investment Trust Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
028C	CAPITAL INVESTMENT TRUST FUND	\$0.00	\$0.00	\$0.00	\$101,968.40	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$0.00	\$101,968.40	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0203 Convention Center and Exhibition Center Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
032C	S.O.BNDS (CONV.CTR) A97C152S11	\$0.00	\$0.00	\$8,392,626.94	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$8,392,626.94	\$0.00	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0204 Capital Improvement and Investment Trust Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
041C	C55 ACTS OF 1999 S2A	\$0.00	\$27,822.65	(\$80,791.57)	\$150,364.92	\$0.00
043C	A2000C236S81	\$0.00	\$0.00	(\$40,322.49)	\$3,517,963.49	\$0.00
BREF	Proceeds of Bond Refunding	\$0.00	\$1,444,443.53	\$0.00	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$1,472,266.18	(\$121,114.06)	\$3,668,328.41	\$0.00

COMMONWEALTH OF MASSACHUSETTS

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0210 Highway Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0207	ACCEL TRANSP & DEV. A94C273S2A	\$747,057.67	\$345,473.17	(\$164,724.76)	\$8,280,471.84	\$0.00
0208	ACCEL TRANSP & DEV. A94C273S2B	\$757,567.23	\$539,377.80	(\$313,967.32)	\$3,261,731.91	\$0.00
0222	0222	\$0.00	\$0.00	\$0.00	\$0.38	\$0.00
0237	HY IMP LN A83 C723 S11E	\$0.00	\$0.00	\$0.00	\$40,000.00	\$0.00
0247	HIGHWAY IMPR LN,CH15,S10,A88	\$0.00	\$0.00	\$0.00	\$912,181.70	\$0.00
0253	HIGHWAY IMPROVEMNT LN A91C33S11	\$0.00	\$0.00	\$0.00	\$5,000,000.00	\$0.00
0255	HIGHWAY IMPROVEMNT LN A91C33S13	\$111,821.35	\$0.00	\$75,395.55	\$36,424.90	\$0.00
0256	HIGHWAY IMPROVEMNT LN A91C33S14	\$0.00	\$27,425.03	(\$18,382.27)	\$17,879.17	\$0.00
0263	SPC OBG REV HY IMP LN A91C33S8	\$82,859.07	\$166,460.94	(\$166,460.94)	\$249,199.01	\$0.00
0268	HWY IMP LN A94C102S4	\$0.00	\$0.00	\$180,170.00	\$62,194.49	\$0.00
503C	HWY IMPRVMT LN ACT A96C113S4	\$15,053.25	\$234,151.04	(\$169,320.33)	\$385,185.15	\$0.00
505C	HWY IMPRVMT LN A96C205S4	\$31,385.91	\$498,411.10	(\$416,929.40)	\$72,713,251.47	\$0.00
506C	506C	\$0.00	\$0.00	\$0.00	\$1,397.36	\$0.00
507C	HWY IMPRVMT LN A96C205S6	\$0.00	\$0.00	\$0.00	\$2,538.58	\$0.00
509C	INTERMODAL TRNP.IMP.A96C205S13	\$1,520,703.00	\$0.00	\$74,054.12	\$1,710,749.70	\$0.00
513C	PROJECT PLANNING & COORDINATN	\$7,193,030.35	\$5,391,527.49	(\$3,504,878.18)	\$95,298,647.03	\$0.00
517C	HWY IMPRVNT LN A07C27S8	\$92,724,666.97	\$81,726,315.57	(\$49,016,904.52)	\$203,050,825.78	\$0.00
521C	C53S2CA99HWYIMPLN	\$0.00	\$0.00	\$0.00	\$22.63	\$0.00
523C	C55S4A99HWYCAPIMPLN	\$238,813.56	\$246,954.99	(\$87,244.37)	\$1,349,273.67	\$0.00
524C	524C	\$0.00	\$0.00	\$0.00	\$1.00	\$0.00
527C	HWY IMP LN ACT 2000 A00C87S5	\$0.00	\$0.00	(\$1.88)	\$34,351,309.53	\$0.00
530C	A2000C235S5 (2B)	\$12,010,826.81	\$8,214,222.78	(\$6,729,627.26)	\$101,992,226.91	\$0.00
531C	A2000C235S6 (2C)	\$84,350.40	\$9,001.62	(\$2,436.62)	\$5,363,577.63	\$0.00
532C	A2000C235S7 (2D)	\$600,362.85	\$0.00	\$0.00	\$1,330,021.38	\$0.00
533C	A2000C535S8 (2E)	\$9,326,649.67	\$1,125,151.24	(\$640,917.01)	\$23,257,478.14	\$0.00
543C	SPEC OBL REV HWY IMP LOAN '04	\$24,012,459.11	\$10,630,497.15	(\$7,385,748.56)	\$235,435,258.17	\$0.00
544C	HWY IMP LOAN '04 - A04C291S5	\$73,781,431.39	\$14,863,059.74	(\$13,093,262.11)	\$106,032,229.96	\$0.00
545C	HWY IMP LOAN '04 - A04C291S6	\$0.00	\$0.00	\$0.00	\$3,007,792.94	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0210 Highway Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
546C	RTA IMP LOAN '04 - A04C291S8	\$645,249.21	\$133,212.39	(\$1,633,212.39)	\$3,977,614.97	\$0.00
547C	MOBILITY ASSISTANCE PROG IMP L	\$0.00	(\$142.09)	\$0.00	\$2,304.89	\$0.00
550C	Trans Imp Bill A08C86S2A	\$47,342,009.75	\$109,403,891.96	(\$38,340,751.61)	\$142,123,326.97	\$0.00
551C	Trans Imp Bill A08C86S2B	\$32,921,195.79	\$17,559,348.18	(\$13,832,802.49)	\$52,588,225.26	\$0.00
552C	Trans Imp Bill A08C86S2C	\$144,256.75	\$191,078.10	(\$90,047.99)	\$7,429,867.54	\$0.00
553C	Trans Imp Bill A08C86S2D	\$8,692,845.18	\$6,026.82	(\$6,026.82)	\$708,000,000.00	\$0.00
554C	C233 8 A. 08 Structurally Defi	\$291,370,859.33	\$213,545,569.13	\$161,601,187.29	\$2,311,413,298.24	\$0.00
556C	A08 C303 S47 Transportation Im	\$15,964,216.37	\$2,512,824.66	(\$3,359,115.65)	\$585,300,000.00	\$0.00
557C	A08 C303 S48 Transportation Im	\$133,510,785.04	\$115,205,502.42	(\$86,940,246.77)	\$323,853,957.02	\$0.00
558C	A08 C303 S49 Transportation Im	\$62,133,687.44	\$15,198,093.26	(\$11,394,888.09)	\$198,023,674.50	\$0.00
558T	A08 C303 S49 Transportation Im	\$0.00	\$0.00	\$0.00	\$20,000,000.00	\$0.00
559C	A08 C303 S50 Transportation Im	\$157,339.71	\$1,227,119.88	(\$1,295,962.64)	\$17,441,666.52	\$0.00
560C	A08 C303 S51 Transportation Im	\$0.00	\$0.00	\$0.00	\$72,000,000.00	\$0.00
561C	A08 C303 S52 Transportation Im	\$0.00	\$0.00	\$0.00	\$40,000,000.00	\$0.00
562C	A08 C303 S53 Transportation Im	\$0.00	\$0.00	\$0.00	\$15,366,500.00	\$0.00
572C	CH 240 ACTS OF 2010 SEC 2B	\$4,776,000.00	\$1,632,618.69	(\$1,632,618.69)	\$50,000,000.00	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$132,102,223.45	\$0.00	\$0.00	\$0.00
DR05	Cross Over Refunding 2005-A	\$0.00	\$3,539,853.13	\$1,824.49	\$0.00	\$0.00
FUND TOTALS:		\$820,897,483.16	\$736,275,249.64	(\$78,303,847.22)	\$5,450,662,306.34	\$0.00

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BONDS AUTHORIZED AND UNISSUED

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FUND: 0211 State Bond Share Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0252	HIGHWAY IMPROVEMNT LN A91C33S10	\$0.00	\$0.00	\$0.00	\$53,166,787.18	\$0.00
0287	HWY IMP LN A94C273S4	\$0.00	\$0.00	\$0.00	\$60,699,133.00	\$0.00
0288	HWY IMP LN A94C102S3	\$0.00	(\$13,622.00)	\$13,622.00	\$70,016,235.00	\$0.00
502C	HWY IMPRVMT LN ACT A96C113S3	\$0.00	\$1,122.00	(\$8,942.56)	\$7,982,434.56	\$0.00
504C	HWY IMPRVMT LN A96C205S3	\$0.00	(\$160,249.00)	\$1.00	\$4,488,943.00	\$0.00
510C	A97C11S3 HWY IMP LOAN 1997	\$0.00	\$132,176.00	\$0.38	\$38,321,046.62	\$0.00
511C	A97C11S5 HWY IMP LOAN 1997	\$0.00	\$0.00	\$0.00	\$57,585,090.00	\$0.00
512C	A97C11S9 HWYIMPLN 97GANS/BNDS	\$0.00	\$0.00	\$0.00	\$216,002.00	\$0.00
522C	C55S3A99HWYCAPIMPLN	\$0.00	\$17,049.00	(\$244,369.00)	\$284,740.00	\$0.00
526C	HWY IMP LN ACT 2000 A00C87S4	\$0.00	\$13,476.00	(\$68,775.00)	\$12,232,224.00	\$0.00
527C	HWY IMPRVNT LN A07C27S7	\$0.00	(\$15,270,951.00)	(\$47,831,475.94)	\$49,373,707.94	\$0.00
528C	A2000 C235 S3(2)	\$0.00	(\$501,614.00)	(\$4,526,057.67)	\$33,942,099.67	\$0.00
529C	A2000C235S4(2A)	\$0.00	\$1,581,094.00	(\$2,677,618.81)	\$167,313,390.80	\$0.00
541C	ACTS OF 2003 CH.40 SEC.3	\$0.00	(\$1,809,957.00)	(\$28,172,757.22)	\$39,966,359.22	\$0.00
542C	HWY IMP LOAN '04 - A04C291S3	\$0.00	\$1,596,424.00	(\$9,101,701.37)	\$27,050,601.37	\$0.00
549C	A08C86S2 Trans Imp Bill State	\$0.00	\$52,645,939.00	(\$57,036,292.74)	\$385,167,020.73	\$0.00
BREF	Bond Refunding	\$0.00	\$22,719,893.03	\$0.00	\$0.00	\$0.00
CAT1	CA/T (0202/0252) A91C33S10	\$0.00	\$0.00	\$0.00	\$10,216,908.00	\$0.00
CAT2	CA/T (0288) A94C102S3	\$0.00	\$0.00	(\$496.00)	\$22,358,452.00	\$0.00
CAT3	CA/T (0290/0287) A94C273S4	\$0.00	\$102,136.00	(\$1,822,449.00)	\$4,097,037.00	\$0.00
CAT4	CA/T (504C) A96C205S3	\$0.00	\$0.00	\$0.00	\$334,750.00	\$0.00
CAT5	CA/T (502C) A96C113S4	\$0.00	\$0.00	\$0.00	\$2,938,804.00	\$0.00
CAT6	CA/T (510C) A97C11S3	\$0.00	\$43,613.00	(\$43,609.00)	\$68,903,836.00	\$0.00
FUND TOTALS:		\$0.00	\$61,096,529.03	(\$151,520,920.93)	\$1,116,655,602.09	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0212 Central Artery Statewide Road & Bridge Infrastructure Fund

SUB				NET LIQUID	AUTHORIZED	TEMPORARY
FUND	NAME	ENCUMBRANCES	EXPENDITURES	ASSET	AND UNISSUED	LOANS
525C	CAT/TWT INF LN A2000 A00C87S3	\$4,182,557.12	\$463,757.53	\$6,012,992.46	\$4,282.86	\$0.00
538C	GO BOND SALE 2002C	\$58,502.04	\$118,204.78	\$85,888.16	\$0.00	\$0.00
BREF	Bond Refunding	\$0.00	\$46,252,252.72	\$0.00	\$0.00	\$0.00
C228	C/A CH 228 PROCEEDS	\$9,600,154.17	\$3,144,699.38	\$11,220,666.27	\$0.00	\$0.00
DFSD	OP FNDS TRFR A2000 C87S15	\$50.00	\$0.00	\$810.89	\$0.00	\$0.00
PKE3	MASS PIKE PMT A2000 C87 S11	\$0.00	\$0.00	\$107.55	\$0.00	\$0.00
PRT3	MASS PORT PMT A2000 C87 S11	\$50.00	\$0.00	\$162.04	\$0.00	\$0.00
RMV1	EXCESS RMV REVENUESS15C87A2000	\$130,395.72	\$169,056.81	\$52,482,351.83	\$0.00	\$0.00
FUND TOTALS:		\$13,971,709.05	\$50,147,971.22	\$69,802,979.20	\$4,282.86	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0240 Metro Parks Capital

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0375	Met Parks Dis Loan	\$0.00	\$0.00	\$0.07	\$87,633.83	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$0.07	\$87,633.83	\$0.00

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FUND: 0271 Local Aid Capital Fund

SUB				NET LIQUID	AUTHORIZED	TEMPORARY
FUND	NAME	ENCUMBRANCES	EXPENDITURES	ASSET	AND UNISSUED	LOANS
0373	CHARLES RIV.WTR.QLTY.LN72	\$0.00	\$0.00	\$0.00	\$4,869.05	\$0.00
0375	MET. PARKS DIST.LOAN 1974	\$0.00	\$0.00	\$0.00	\$184,246.87	\$0.00
0603	LOC SLD WST FAC L&G A87C584S27	\$0.00	\$0.00	\$10,069.48	\$0.00	\$0.00
0607	CRTHSE CONST&REN LN A88C203S28	\$0.00	\$6,517.00	(\$6,517.00)	\$8,217.00	\$0.00
0608	IMPROVEMENT CT HSES A88C203S24	\$0.00	\$0.00	\$0.00	\$7,187.50	\$0.00
0613	CAP OTLY LN A94C85S3	\$8,550.00	\$5,500.00	(\$5,500.00)	\$1,067,931.24	\$0.00
0614	0614	\$0.00	\$0.00	\$0.00	\$20,713.69	\$0.00
0618	TRANSP DEVEL & IMP. A94C273S2K	\$0.00	\$0.00	\$0.00	\$9,914,237.31	\$0.00
0656	WATER POLLUTION CTRL F276 A85	\$0.00	\$0.00	\$0.00	\$7,331.00	\$0.00
700C	700C	\$0.00	\$0.00	\$10,835.00	(\$10,835.00)	\$0.00
713C	A2002 CH 236 SEC 4	\$0.00	\$0.00	\$0.00	\$0.01	\$0.00
BREF	PROCEEDS OF BOND REFUNDING	\$0.00	\$108,357,866.47	\$0.00	\$0.00	\$0.00
SBA1	MASS SCHOOL BUILD ASSIS FUND L	\$0.00	\$0.00	\$0.01	(\$0.01)	\$0.00
FUND TOTALS:		\$8,550.00	\$108,369,883.47	\$8,887.49	\$11,203,898.66	\$0.00

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BONDS AUTHORIZED AND UNISSUED
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FUND: 0278 Government Land Bank Capital Projects Fund

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0650	GOVT LAND BANK FD LN A77C732S6	\$762,672.00	\$1,237,328.00	(\$603,326.23)	\$9,939,303.80	\$0.00
FUND TOTALS:		\$762,672.00	\$1,237,328.00	(\$603,326.23)	\$9,939,303.80	\$0.00

COMMONWEALTH OF MASSACHUSETTS

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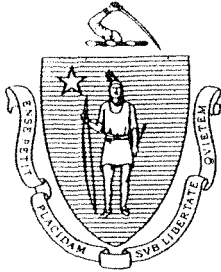
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BONDS AUTHORIZED AND UNISSUED
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FUND: 0289 Bond Ahead Fund (Holding account - memo only)

SUB FUND	NAME	ENCUMBRANCES	EXPENDITURES	NET LIQUID ASSET	AUTHORIZED AND UNISSUED	TEMPORARY LOANS
0000	Zero Subfund for 0289 Fund	\$0.00	\$0.00	\$2,503,950.90	\$0.00	\$0.00
0291	Bond Proceeds	\$0.00	\$0.00	\$389,505,703.09	\$0.00	\$0.00
S10D	Proceeds from Bond Sales	\$0.00	\$0.00	\$236,576,910.59	\$0.00	\$0.00
FUND TOTALS:		\$0.00	\$0.00	\$628,586,564.58	\$0.00	\$0.00
GRAND FUND TOTALS:		\$1,485,340,958.11	\$1,900,608,888.85	\$62,928,733.16	\$16,787,792,230.03	\$0.00

Exhibit B



The Commonwealth of Massachusetts
Office of the Comptroller
One Ashburton Place, Room 901
Boston, Massachusetts 02108

MARTIN J. BENISON
COMPTROLLER

PHONE: (617) 727-5000
FAX: (617) 727-2163
INTERNET: <http://www.mass.gov/osc>

DECLARATION OF OFFICIAL INTENT

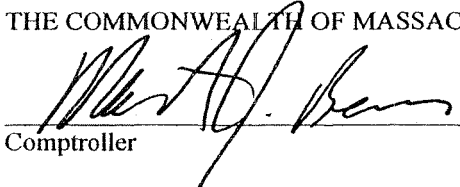
The undersigned, Comptroller of The Commonwealth of Massachusetts (the "Commonwealth"), hereby states the following:

1. This shall constitute a "Declaration of Official Intent" pursuant to the provisions of Section 1.150-2 of U.S. Department of Treasury Regulations.
2. The Commonwealth expects to spend amounts on deposit in its General Fund to pay the costs of Capital expenditures (the "Expenditures") in the amounts and for the purposes as described in the reports referred to in Schedule A hereto. The Commonwealth reasonably expects to reimburse itself for all such Expenditures with the proceeds of debt to be incurred by the Commonwealth. The amount of such Expenditures is the maximum principal amount of debt the Commonwealth intends to issue for each such purpose. The maximum principal amount of bonds expected to be issued under each bond authorized to which such Expenditures relate is set forth on Schedule B hereto.

In Witness Whereof, the undersigned has executed this Declaration of Official Intent this 24th day of May 2011.

THE COMMONWEALTH OF MASSACHUSETTS

BY:


Comptroller

SCHEDULE A

The following reports are available for public inspection at the Office of the Comptroller, One Ashburton Place, Room 909, Boston MA 02108 and are hereby incorporated in the Declaration of Official Intent by reference:

1. Amount of Expenditures to be reimbursed by debt. Such amounts are set forth in the following reports.

Warrant Analysis by Appropriation Type (Capital Expenditures)	MMARS Report NAP625W
Summary of Warranted Payments by Fund	MMARS Report NAP627WS
Detail Monthly Warranted Payments by Fund/Class	MMARS Report NAP627WD

2. Purpose of Expenditures. The Expenditures Classification Handbook outlines a description of expenditures incorporated herein by reference.

SCHEDULE B- BONDS AUTHORIZED AND UNISSUED AS OF:

Month May Day 18th 2011 MMARS REPORT NGA265S

SCHEDULE C-BOND FUNDS

Fund - 182	<u>Capital Expenditure Reserve Fund</u> Established for the purpose of recording Central Artery / Third Harbor Tunnel expenditures funded by revenues received from the Massachusetts Turnpike Authority and the Massachusetts Port Authority.
Fund - 200	<u>General Capital Projects</u> Various purpose capital projects which include asbestos removal from schools, pier redevelopment, water pollution control facilities, public housing, public buildings, correctional facilities environmental facilities, airport facilities, cultural facilities, and mass transit all as more particularly described in Schedule B above.
Fund - 201	<u>Capital Investment Trust Fund</u> Various purpose capital projects which includes appropriations for infrastructure, economic development, information technology and housing. These appropriations are funded by transfers of operating surpluses.
Fund - 202	<u>Capital Reserve Offset Fund</u> Surplus operating revenue as determined by the Comptroller in accordance with Section 5C of Chapter 29 MGL to be applied to various bond authorizations in lieu of proceeds from the issuance of long term debt.
Fund - 203	<u>Boston Convention and Exhibition Center Fund</u> Various convention center projects includes Boston convention center project, Springfield Civic Center, Worcester Convention Center, basketball hall of fame all as more particularly described in Schedule B above.
Fund - 204	<u>Capital Improvement and Investment Trust Fund</u> Various purpose capital projects which includes appropriations for infrastructure, economic development, information technology and housing. Transfers of operating surpluses fund these appropriations.
Fund - 210	<u>Highway capital Projects</u> Various highway and related transportation projects, all more particularly described in Schedule B above.
Fund - 220	<u>Inland Fish and Game Capital Projects</u> Various fish and game capital projects, all as more particularly described in Schedule B above.
Fund - 230	<u>State Recreation Area Capital Projects</u> Various capital projects for recreation areas within the Commonwealth, all as more particularly described in Schedule B above.
Fund - 240	<u>Metro Parks Capital Projects</u> Various parks projects within the metropolitan Boston area, all as more particularly described in Schedule B above.
Fund - 270	<u>General Obligation Federally Assisted Housing</u> Various federally assisted housing projects, all more particularly described in Schedule B above.
Fund - 271	<u>Local Aid capital Projects</u> Various projects for municipalities including schools, highway improvements, library facilities, water pollution abatement, solid waste facilities, community development facilities, and courthouse facilities, all more particularly described in Schedule B above.
Fund - 272	<u>Lockup Facilities</u> Various correctional facilities, all as more particularly described in Schedule B above.
Fund - 273	<u>Suffolk County Jail</u> Construction of new Suffolk County Jail, all as more particularly described in Schedule B above.
Fund - 274	<u>County Correctional Institution</u> County correctional facilities, as more particularly described in Schedule B above.
Fund - 275	<u>Local Infrastructure</u> Various municipal capital projects, all as more particularly described in Schedule B above.
Fund - 276	<u>Water Pollution Control</u> Various water pollution control projects, all as more particularly described in Schedule B above.
Fund - 278	<u>Government Land Bank</u> Various capital projects for the Massachusetts Government Land Bank, all as more particularly described in Schedule B above.
Fund - 279	<u>Environmental Challenge</u> Various environmental facilities, all more particularly described in Schedule B above.
Fund - 280	<u>Intercity Bus Capital Projects</u> Various intercity bus capital projects, all as more particularly described in Schedule B above.

June 1, 2011

J. P. Morgan Securities LLC,
as representative of the Underwriters
50 Rowes Wharf, 4th floor
Boston, Massachusetts 02110

Nixon Peabody LLP
100 Summer Street
Boston, Massachusetts 02110

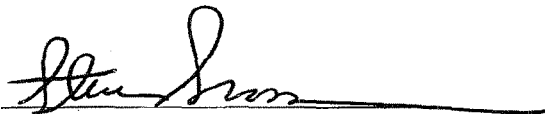
McCarter & English, LLP
265 Franklin Street
Boston, Massachusetts 02110

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111

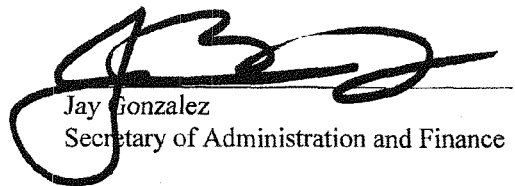
Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B and Series C (BuildMassBonds) (the "Bonds"), as described in the Preliminary Official Statement dated May 13, 2011 (the "Preliminary Official Statement") and the Official Statement dated May 24, 2011 (the "Official Statement"), relating to the Bonds.

We, the undersigned, Steven Grossman and Jay Gonzalez, hereby certify that we are the Treasurer and Receiver-General and the Secretary of Administration and Finance, respectively, of the Commonwealth. This certification refers to the Preliminary Official Statement and the Official Statement, including by reference the Commonwealth's Information Statement dated March 15, 2011, as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011, attached thereto as Appendix A.

We hereby further certify that (i) the representations and warranties of the Commonwealth contained in the Bond Purchase Agreement dated May 24, 2011 between the Commonwealth and J. P. Morgan Securities LLC, as Representative of the Underwriters, are true and correct in all material respects on and as of the date hereof as if made on the date hereof and (ii) except for the information contained in the Preliminary Official Statement and the Official Statement under the headings "BOOK-ENTRY-ONLY SYSTEM," "RATINGS" and "UNDERWRITING" and in Appendix B thereto, to the best of our respective knowledge and belief, the Preliminary Official Statement, as of May 13, 2011 and as of May 24, 2011, and the Official Statement, as of May 24, 2011 and as of the date hereof, did not and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.



Steven Grossman
Treasurer and Receiver-General



Jay Gonzalez
Secretary of Administration and Finance

June 1, 2011

J. P. Morgan Securities LLC,
as representative of the Underwriters
50 Rowes Wharf, 4th floor
Boston, Massachusetts 02110

Nixon Peabody LLP
100 Summer Street
Boston, Massachusetts 02110

McCarter & English, LLP
265 Franklin Street
Boston, Massachusetts 02110

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02111

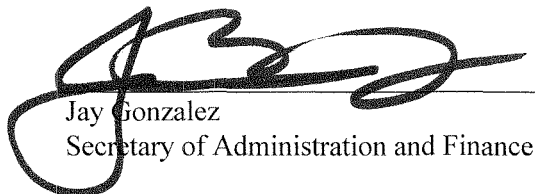
Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B and Series C (BuildMassBonds) (the "Bonds"), as described in the Preliminary Official Statement dated May 13, 2011 (the "Preliminary Official Statement") and the Official Statement dated May 24, 2011 (the "Official Statement"), relating to the Bonds.

We, the undersigned, Steven Grossman and Jay Gonzalez, hereby certify that we are the Treasurer and Receiver-General and the Secretary of Administration and Finance, respectively, of the Commonwealth. This certification refers to the Preliminary Official Statement and the Official Statement, including by reference the Commonwealth's Information Statement dated March 15, 2011, as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011, attached thereto as Appendix A.

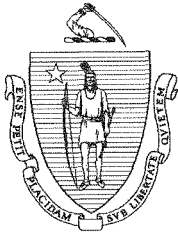
We hereby further certify that (i) the representations and warranties of the Commonwealth contained in the Bond Purchase Agreement dated May 24, 2011 between the Commonwealth and J. P. Morgan Securities LLC, as Representative of the Underwriters, are true and correct in all material respects on and as of the date hereof as if made on the date hereof and (ii) except for the information contained in the Preliminary Official Statement and the Official Statement under the headings "BOOK-ENTRY-ONLY SYSTEM," "RATINGS" and "UNDERWRITING" and in Appendix B thereto, to the best of our respective knowledge and belief, the Preliminary Official Statement, as of May 13, 2011 and as of May 24, 2011, and the Official Statement, as of May 24, 2011 and as of the date hereof, did not and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.



Steven Grossman
Treasurer and Receiver-General



Jay Gonzalez
Secretary of Administration and Finance



The Commonwealth of Massachusetts
Department of the State Treasurer
State House
Boston, Massachusetts 02133

Steven Grossman
Treasurer and Receiver General

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

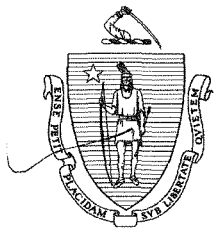
With respect to matters within the jurisdiction of the Office of the Treasurer and Receiver-General, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,

Katherine P. Craven

Katherine P. Craven
First Deputy Treasurer and Receiver General



Steven Grossman
Treasurer and Receiver General

The Commonwealth of Massachusetts
Department of the State Treasurer
One Ashburton Place
Boston, Massachusetts 02108-1608

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds,
Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds,
Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with
the Series B Bonds, the "Bonds")

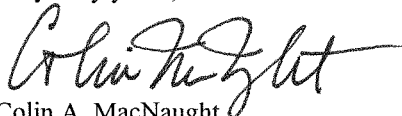
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Very truly yours,


Colin A. MacNaught
Assistant Treasurer



Steven Grossman
Treasurer and Receiver General

The Commonwealth of Massachusetts
Department of the State Treasurer
One Ashburton Place
Boston, Massachusetts 02108-1608

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

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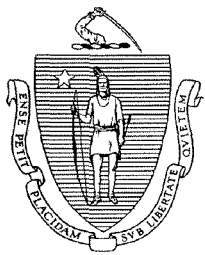
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Very truly yours,

A handwritten signature in black ink, appearing to read "James MacDonald".

James MacDonald
Deputy Treasurer



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE FOR
ADMINISTRATION AND FINANCE
STATE HOUSE • ROOM 373
BOSTON, MA 02133

DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

JAY GONZALEZ
SECRETARY

TEL: (617) 727-2040
FAX: (617) 727-2779
www.mass.gov/anf

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

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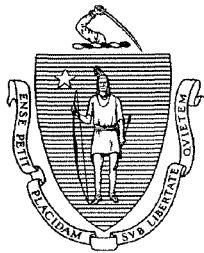
With respect to matters within the jurisdiction of the Executive Office for Administration and Finance, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

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Very truly yours,

A handwritten signature in cursive script, appearing to read "Matthew Gorzkowicz".

Matthew Gorzkowicz
Undersecretary



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE FOR
ADMINISTRATION AND FINANCE
STATE HOUSE • ROOM 373
BOSTON, MA 02133

DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

JAY GONZALEZ
SECRETARY

TEL: (617) 727-2040
FAX: (617) 727-2779
www.mass.gov/anf

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

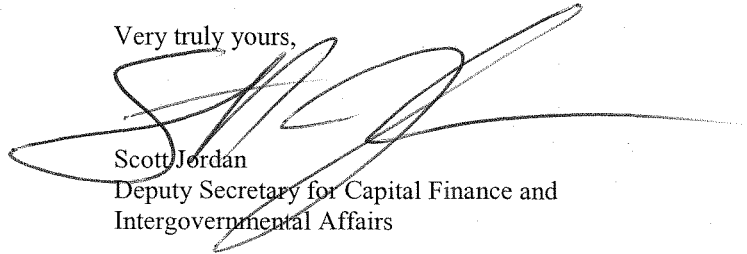
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On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Fiscal Affairs Division of the Executive Office for Administration and Finance, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

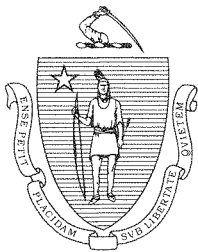
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Very truly yours,

A large, stylized handwritten signature in black ink, appearing to read 'S. Jordan', is written over the typed name and title.

Scott Jordan

Deputy Secretary for Capital Finance and
Intergovernmental Affairs



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE FOR

ADMINISTRATION AND FINANCE

STATE HOUSE ■ ROOM 373

BOSTON, MA 02133

DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

JAY GONZALEZ
SECRETARY

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

TEL: (617) 727-2040
FAX: (617) 727-2779
www.mass.gov/eoaf

June 1, 2011

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

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On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

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Very truly yours,

A handwritten signature in dark ink, appearing to read "Karol D. Ostberg".

Karol D. Ostberg
Director of Capital Finance



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE FOR
ADMINISTRATION AND FINANCE
STATE HOUSE • ROOM 373
BOSTON, MA 02133

DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

JAY GONZALEZ
SECRETARY

TEL: (617) 727-2040
FAX: (617) 727-2779
www.mass.gov/anf

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

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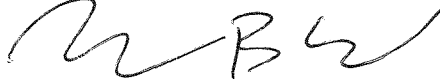
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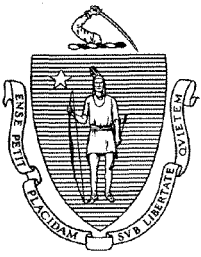
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Very truly yours,

A handwritten signature in black ink, appearing to read 'M Esmond', written over a horizontal line.

Michael Esmond
Budget Director



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE FOR
ADMINISTRATION AND FINANCE
STATE HOUSE • ROOM 373
BOSTON, MA 02133

DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

JAY GONZALEZ
SECRETARY

TEL: (617) 727-2040
FAX: (617) 727-2779
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June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

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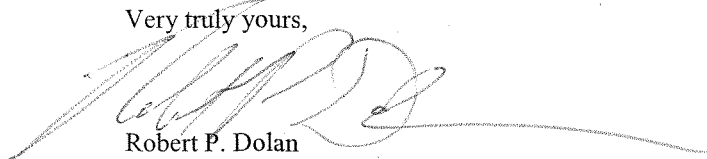
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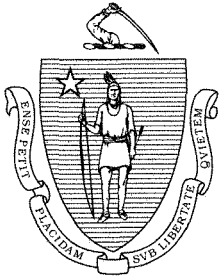
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Very truly yours,

A handwritten signature in dark ink, appearing to read 'R. Dolan', with a long horizontal flourish extending to the right.

Robert P. Dolan
Assistant Budget Director



The Commonwealth of Massachusetts
Office of the Comptroller
One Ashburton Place, Room 901
Boston, Massachusetts 02108

MARTIN J. BENISON
COMPTROLLER

PHONE: (617) 727-5000
FAX: (617) 727-2163
INTERNET: <http://www.mass.gov/osc>

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

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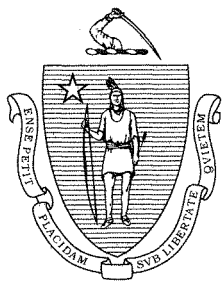
With respect to matters within the jurisdiction of the Office of the Comptroller, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

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Very truly yours,

A handwritten signature in dark ink, appearing to read "Martin J. Benison".

Martin J. Benison
Comptroller



The Commonwealth of Massachusetts
Office of the Comptroller
One Ashburton Place, Room 901
Boston, Massachusetts 02108

MARTIN J. BENISON
COMPTROLLER

June 1, 2011

PHONE: (617) 727-5000
FAX: (617) 727-2163
INTERNET: <http://www.mass.gov/osc>

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

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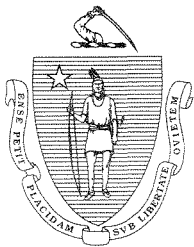
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Very truly yours,

A handwritten signature in black ink, appearing to read "Howard Merkowitz".

Howard Merkowitz
Deputy Comptroller



NAVJEET K. BAL
COMMISSIONER

The Commonwealth of Massachusetts
Department of Revenue
PO Box 9550
Boston, MA 02111-9550

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

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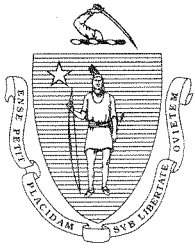
With respect to matters within the jurisdiction of the Department of Revenue, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

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Very truly yours,

A handwritten signature in dark ink, appearing to read "Navjeet K. Bal".

Navjeet K. Bal
Commissioner



NAVJEET K. BAL
COMMISSIONER

The Commonwealth of Massachusetts
Department of Revenue
PO Box 9550
Boston, MA 02111-9550

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

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With respect to matters within the jurisdiction of the Department of Revenue, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

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Very truly yours,

A handwritten signature in black ink, appearing to read "Kazim Ozyurt".

Kazim Ozyurt
Acting Director, Office of Tax Policy Analysis

Massachusetts Department of Revenue Division of Local Services

Navjeet K. Bal, Commissioner Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs



June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds,
Consolidated Loan of 2011, Series B (the "Series B Bonds")

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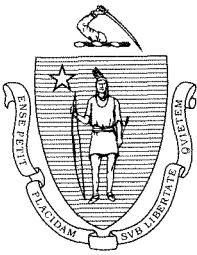
On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Division of Local Services within the Department of Revenue, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,

Robert G. Nunes
Deputy Commissioner



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE ATTORNEY GENERAL

ONE ASHBURTON PLACE
BOSTON, MASSACHUSETTS 02108

MARTHA COAKLEY
ATTORNEY GENERAL

(617) 727-2200
www.mass.gov/ago

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Attorney General, in the "Legal Matters" section of the Information Statement, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

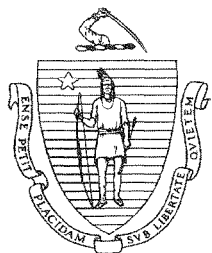
This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Cordially,

A handwritten signature in dark ink, appearing to read "Martha Coakley", written over a horizontal line.

Martha Coakley
Attorney General





The Commonwealth of Massachusetts
Executive Office of Health and Human Services
One Ashburton Place, Room 1109
Boston, Massachusetts 02108

DEVAL L. PATRICK
Governor

TIMOTHY P. MURRAY
Lieutenant Governor

JUDYANN BIGBY, M.D.
Secretary

Tel: (617) 573-1600
Fax: (617) 573-1890
www.mass.gov/eohhs

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Executive Office of Health and Human Services, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

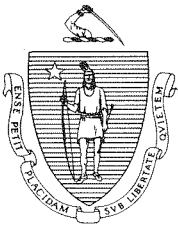
This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,

A handwritten signature in dark ink, appearing to read "JudyAnn Bigby", written over a circular stamp or seal.

Dr. JudyAnn Bigby
Secretary





DEVAL L. PATRICK
Governor

TIMOTHY P. MURRAY
Lieutenant Governor

*The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
One Ashburton Place
Boston, MA 02108*



JUDYANN BIGBY, M.D.
Secretary

TERENCE G. DOUGHERTY
Medicaid Director

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

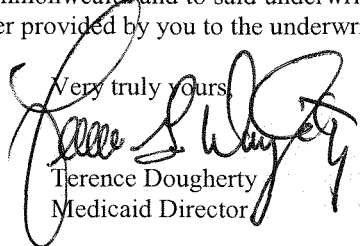
I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Executive Office of Health and Human Services Office of Medicaid, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,


Terence Dougherty
Medicaid Director



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Transitional Assistance
600 Washington Street • Boston MA 02111

DEVAL L. PATRICK
Governor

TIMOTHY P. MURRAY
Lieutenant Governor

JUDYANN BIGBY, M.D.
Secretary

JULIA E. KEHOE
Commissioner

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

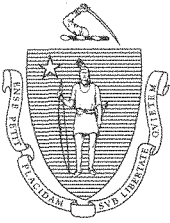
On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Department of Transitional Assistance, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,

Mary M. Sheehan
Acting Asst. Commissioner for Admin. & Finance



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT
DEPARTMENT OF UNEMPLOYMENT ASSISTANCE

DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LT. GOVERNOR

JOANNE F. GOLDSTEIN
SECRETARY

JUDITH L. CICATIELLO
DIRECTOR

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

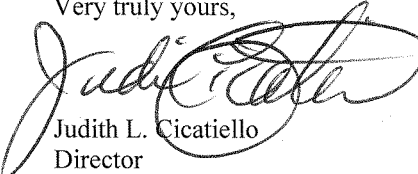
I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Division of Unemployment Assistance, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,



Judith L. Cicatiello
Director



Massachusetts Department of Higher Education

One Ashburton Place, Room 1401
Boston, MA 02108-1696

TEL (617) 994-6950
FAX (617) 727-0955
WEB www.mass.edu

Richard M. Freeland, *Commissioner*
Charles F. Desmond, *Chairman*
Massachusetts Board of Higher Education

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Department of Higher Education, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Sincerely,

A handwritten signature in dark ink, appearing to be "RMF", written over a faint circular stamp.

Richard M. Freeland
Commissioner



Deval L. Patrick, Governor
Timothy P. Murray, Lt. Governor
Jeffrey B. Mullan, Secretary & CEO

massDOT
Massachusetts Department of Transportation

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General
Honorable Jay Gonzalez
Secretary of Administration and Finance
The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Massachusetts Department of Transportation, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,

Arthur D. Shea
Chief Financial Officer



Deval L. Patrick, Governor
Timothy P. Murray, Lt. Governor
Jeffrey B. Mullan, MassDOT Secretary & CEO
Richard A. Davey, General Manager
and Rail & Transit Administrator



June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds,
Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds,
Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the
Series B Bonds, the "Bonds")

I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Massachusetts Bay Transportation Authority, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,

Jonathan R. Davis
Deputy General Manager &
Chief Financial Officer

Massachusetts Bay Transportation Authority
Ten Park Plaza, Boston, MA 02116
www.mbta.com



MASSACHUSETTS WATER POLLUTION ABATEMENT TRUST

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Massachusetts Water Pollution Abatement Trust, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,

G. David Riedell
Executive Director



June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

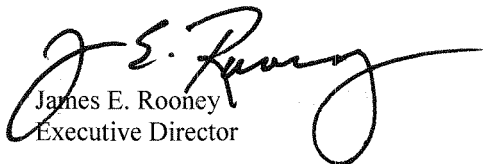
I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

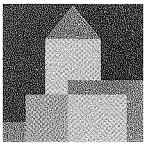
On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Massachusetts Convention Center Authority, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Sincerely,


James E. Rooney
Executive Director



MASSDEVELOPMENT

160 Federal Street
Boston, Massachusetts
02110

June 1, 2011

Tel: 617-330-2000
800-445-8030

Honorable Steven Grossman
Treasurer and Receiver-General

Fax: 617-330-2001
617-451-3429

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

www.massdevelopment.com

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

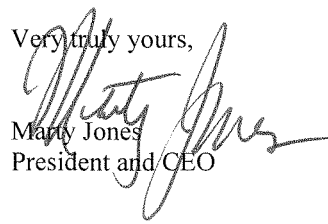
I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Massachusetts Development Finance Agency, contained on pages A-58, A-69, A-70, A-71 and A-72 of the March Information Statement to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading. I note that on the advice of special disclosure counsel to the Commonwealth who has previously indicated that it was unnecessary, Massachusetts Development Finance Agency has not updated the numbers contained in the Saltonstall Building Redevelopment Corporation Project description or in the chart of General Obligation Contract Assistance Requirements on Page A-70 of the March Information Statement.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,


Marty Jones
President and CEO



Massachusetts Housing Finance Agency
One Beacon Street, Boston, MA 02108

TEL: 617.854.1000 | FAX: 617.854.1091
VP: 866.758.1435 | www.masshousing.com

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Massachusetts Housing Finance Agency, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,



Timothy C. Sullivan
Financial Director



Pension Reserves Investment Management Board

84 State Street, Second Floor
Boston, Massachusetts 02109

Treasurer Steven Grossman, Chair
Michael G. Trotsky, CFA, Executive Director

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, MA 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds,
Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds,
Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together
with the Series B Bonds, the "Bonds")

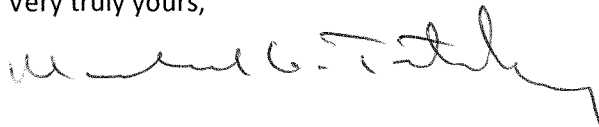
I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Pension Reserves Investment Management Board, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Michael G. Trotsky", with a long, sweeping horizontal line extending to the right.

Michael G. Trotsky, CFA
Executive Director

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

DOMENIC J. F. RUSSO, *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | PAUL V. DOANE | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY | GREGORY R. MENNIS

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

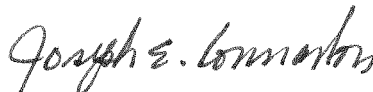
I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Public Employee Retirement Administration Commission, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This letter shall not be construed as including reference to any information furnished by the underwriters concerning any debt obligations issued under or in conjunction with the delivery of the Preliminary Official Statement or the Official Statement. You may deliver a copy of this letter to bond counsel and special disclosure counsel to the Commonwealth and to said underwriters and their counsel who may rely upon it in connection with any letter provided by you to the underwriters.

Very truly yours,



Joseph E. Connarton
Executive Director



Massachusetts State Lottery Commission
60 Columbian Street
Braintree, Massachusetts 02184-1738

Tel: 781-849-5555
Fax: 781-849-5554
TTY: 781-849-5678

STEVEN GROSSMAN
Treasurer and Receiver General

PAUL R. STERNBURG
Executive Director

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

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On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Massachusetts State Lottery, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

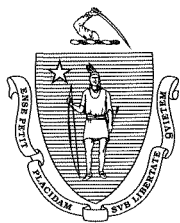
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Very truly yours,



Paul R. Sternburg
Executive Director





THE COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
253 SUMMER STREET, SUITE 300
BOSTON, MA 02210

JAMES T. MORRIS
CHAIRMAN

EDWARD H. ADELMAN
EXECUTIVE DIRECTOR

TEL: (617) 542-1081
FAX: (617) 542-2303
www.mscba.org

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

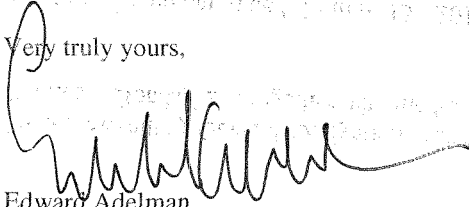
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On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Massachusetts State College Building Authority, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

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Very truly yours,


Edward Adelman
Executive Director



University of Massachusetts Building Authority

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

I have reviewed the Commonwealth's Information Statement dated March 15, 2011 (the "March Information Statement"), as supplemented by the Commonwealth's Information Statement Supplement dated May 6, 2011 (the "May 6 Supplement," and together with the March Information Statement, the "Information Statement") attached as Appendix A to the Preliminary Official Statement and the Official Statement relating to the Bonds.

On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the University of Massachusetts Building Authority, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

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Very truly yours,

David J. MacKenzie
Executive Director



Office of the
President

University of Massachusetts Donahue Institute
Connecting the University to the Commonwealth

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

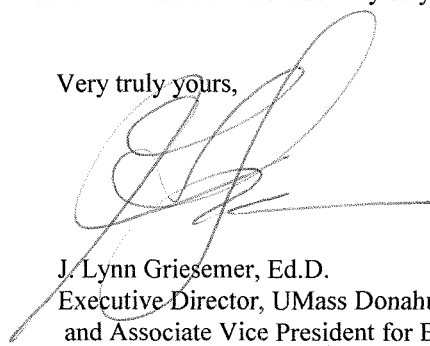
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On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the University of Massachusetts Donahue Institute, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

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Very truly yours,



J. Lynn Griesemer, Ed.D.
Executive Director, UMass Donahue Institute;
and Associate Vice President for Economic
Development



The Commonwealth of Massachusetts
Commonwealth Health Insurance Connector Authority
100 City Hall Plaza
Boston, MA 02108

DEVAL PATRICK
Governor

TIM MURRAY
Lieutenant Governor

JAY GONZALEZ
Board Chair

GLEN SHOR
Executive Director

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General

Honorable Jay Gonzalez
Secretary of Administration and Finance

The Commonwealth of Massachusetts
State House
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series B (the "Series B Bonds")

The Commonwealth of Massachusetts (the "Commonwealth") General Obligation Bonds, Consolidated Loan of 2011, Series C (BuildMassBonds) (the "Series C Bonds," and together with the Series B Bonds, the "Bonds")

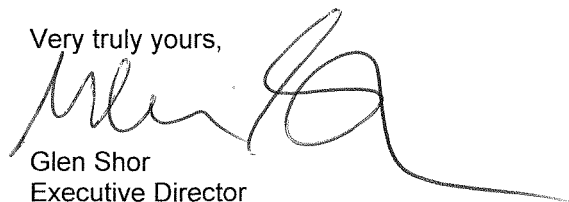
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On the basis of such review and such other steps as I have deemed necessary, I hereby certify as follows:

With respect to matters within the jurisdiction of the Commonwealth Health Insurance Connector Authority, to the best of my knowledge and belief, the Information Statement, as of May 6, 2011, as of May 13, 2011, as of May 24, 2011 and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

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Very truly yours,


Glen Shor
Executive Director

Fitch Ratings

One State Street Plaza
New York, NY 10004

T 212 908 0500 / 800 75 FITCH
www.fitchratings.com

May 23, 2011

Mr. Steven Grossman
Commonwealth of Massachusetts
Office of the Treasurer & Receiver
One Ashburton Place
Boston, MA 02108

Dear Mr. Grossman:

Fitch Ratings has assigned one or more ratings and/or otherwise taken rating action(s), as detailed on the attached Notice of Rating Action.

In issuing and maintaining its ratings, Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of Fitch's ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

Fitch seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given rating.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. Fitch is not your advisor, nor is Fitch providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services.

The assignment of a rating by Fitch does not constitute consent by Fitch to the use of its name as an expert in connection with any registration statement or other filings under US, UK or any other relevant securities laws.

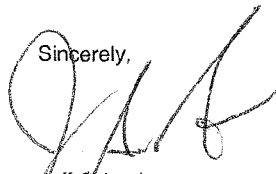
It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason Fitch deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between Fitch and you or between us and any user of the ratings. Nothing in this letter shall limit our right to publish, disseminate or license others to publish or otherwise to disseminate the ratings or the rationale for the ratings.

In this letter, "Fitch" means Fitch, Inc. and Fitch Ratings Ltd and any subsidiary of either of them together with any successor in interest to any such person.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please feel free to contact us at any time.

Sincerely,

A handwritten signature in black ink, appearing to read 'JS', is written over the word 'Sincerely,'.

Jeff Schaub
Managing Director
U.S. Public Finance

JS/rn

Enc: Notice of Rating Action
(Doc ID: 159830)

Notice of Rating Action

<u>Bond Description</u>	<u>Rating Type</u>	<u>Action</u>	<u>Rating</u>	<u>Outlook/ Watch</u>	<u>Eff Date</u>	<u>Notes</u>
Massachusetts, Commonwealth of (MA) GO consolid In bonds ser 2011B	Long Term	New Rating	AA+	RO:Sta	19-May-2011	
Massachusetts, Commonwealth of (MA) GO consolid In bonds ser 2011C (build mass. bonds)	Long Term	New Rating	AA+	RO:Sta	19-May-2011	
Massachusetts, Commonwealth of (MA) outstanding GO and guaranteed bonds	Long Term	Affirmed	AA+	RO:Sta	19-May-2011	

Key: RO: Rating Outlook, RW: Rating Watch; Pos: Positive, Neg: Negative, Sta: Stable, Evo: Evolving

MOODY'S

INVESTORS SERVICE

7 World Trade Center
250 Greenwich Street
New York, NY 10007
www.moodys.com

May 20, 2011

Mr. Colin MacNaught
Assistant Treasurer
Massachusetts (Commonwealth of)
Office of Treasurer Steven Grossman
One Ashburton Place
12th Floor
Boston, MA 02108

Dear Mr. MacNaught,

We wish to inform you that on May 17, 2011, Moody's Investors Service assigned a rating of Aa1 to the Commonwealth of Massachusetts' General Obligation Bond, Consolidated Loan of 2011, Series B and Consolidated Loan of 2011, Series C.

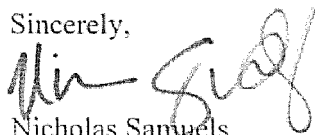
In order for us to maintain the currency of our ratings, we request that you provide ongoing disclosure, including annual financial and statistical information.

Moody's will monitor this rating and reserves the right, at its sole discretion, to revise or withdraw this rating at any time in the future.

The rating, as well as any revisions or withdrawals thereof, will be publicly disseminated by Moody's through normal print and electronic media and in response to verbal requests to Moody's ratings desk.

Should you have any questions regarding the above, please do not hesitate to contact me at 212-553-7121.

Sincerely,



Nicholas Samuels
Vice President / Senior Analyst

MOODY'S

INVESTORS SERVICE

New Issue: MOODY'S ASSIGNS Aa1 RATING TO \$490 MILLION OF MASSACHUSETTS G.O. BONDS

Global Credit Research - 20 May 2011

\$17.8 BILLION OF G.O. DEBT OUTSTANDING OUTLOOK IS STABLE

Massachusetts (Commonwealth of)
State
MA

Moody's Rating

ISSUE	RATING
General Obligation Bonds, Consolidated Loan of 2011, Series B	Aa1
Sale Amount	\$485,000,000
Expected Sale Date	05/23/11
Rating Description	General Obligation

General Obligation Bonds, Consolidated Loan of 2011, Series C	Aa1
Sale Amount	\$5,000,000
Expected Sale Date	05/23/11
Rating Description	General Obligation

Opinion

NEW YORK, May 20, 2011 – Moody's Investors Service has assigned Aa1 ratings to the Commonwealth of Massachusetts' \$485 million General Obligation Bonds, Consolidated Loan of 2011, Series B and \$5 million Series C (Build Mass. Bonds). The Series C bonds will be issued as capital appreciation bonds maturing on February 1, 2014, with interest payable only on that date. Proceeds of the bonds, scheduled to price May 23, will be used to finance capital projects.

SUMMARY RATING RATIONALE

The ratings reflect the commonwealth's demonstrated willingness to cut spending and raise revenues to close budget gaps, a large education and health care sector that generates high wages and that has helped to mitigate job losses in the current downturn, and debt levels that are among the highest in the nation. The outlook is stable.

Credit Strengths:

- Effective financial management during economic downturns, particularly a willingness to promptly identify and close budget gaps through both new revenues and expenditure reductions
- Budget reserves that still provide an adequate cushion, although a reduced one, and a statutory mechanism to replenish them going forward
- High wealth and high levels of educational attainment
- The presence of large, highly-rated higher education and health care institutions in the Boston area has lent a degree of economic stability and have mitigated some job losses during recessions

Credit Challenges:

- Managing expenditure pressures, especially from health care and social services, in a lower revenue environment, although collections have begun to improve
- High unemployment persists, although at lower levels than the nation and employment has begun to grow slowly
- Low pension funding levels, and debt ratios that are among the highest in the nation

DETAILED CREDIT DISCUSSION

FISCAL 2011 RECENT DEVELOPMENTS

Through April (ten months of the fiscal year), Massachusetts' fiscal 2011 tax revenue collections are 12.9% greater (\$1.9 billion) than the same period in fiscal 2010, well ahead of the original budget forecast of 2.9% annual growth, and the revised forecast of 6.7% growth, demonstrating continued resilience in the Massachusetts economy. Income tax collections have been particularly strong, increasing 18.5% compared to the same period in the prior year, although that partly reflects changes to the filing deadline that drove April collections upwards; still, withholding collections alone have increased by 6.8% year-to-date and reflect employment growth that while slow, has been ahead of the U.S. rate for nearly a year. Sales tax growth of 7.7% through April in part reflects economic improvement but also last year's increase in the tax rate from 5.0% to 6.25%.

While the enacted \$27.6 billion fiscal 2011 general fund budget included a \$100 million draw on the commonwealth's Budget Stabilization Fund

and the use of \$95 million carried forward from fiscal 2010, amid higher revenue collections and the extension of federal stimulus funds, legislation enacted in October eliminated both. Based on its current balance and the current tax revenue forecast, the stabilization fund equals 3.9% of fiscal 2011 tax revenue. Fiscal 2010 GAAP-basis results show the commonwealth continues to maintain healthy fund balances overall, with an available operating fund balance of nearly \$1.9 billion, or 9.3% of operating revenue.

FISCAL 2012 BUDGET PROPOSAL

The recommended fiscal 2012 budget reflects a 1.8% spending decrease compared to fiscal 2011. The proposal solves for the loss of \$1.5 billion of federal stimulus funds, a \$700 million structural shortfall from use of one-time resources in prior years, and \$500 million of revenues lower than the long-term trend. Spending reductions are broad-based and affect nearly every spending category, including some reductions in local aid. In addition to expenditure cuts, the proposal includes the use of \$385 million of one-time resources, a notable reduction from \$1.8 billion in fiscal 2011 and a demonstration of the commonwealth's efforts to bring the budget into structural balance. Most of that \$385 million reflects a \$200 million transfer from the stabilization fund. After the transfer, the stabilization fund balance would total \$569 million, or 2.8% of forecast fiscal 2012 tax revenue. That cushion is narrow but we expect the commonwealth to begin to rebuild its balance soon: the fund receives a statutorily-required transfer of 0.5% of annual tax revenue (although that was suspended for fiscal 2011), and based on legislation enacted last year, any capital gains collections greater than \$1 billion. However, while a proposed pension reform measure will provide the commonwealth with long-term savings, the 15-year extension of the schedule to eliminate its unfunded liability provides \$800 million in savings in fiscal 2012, also a non-recurring action to provide budgetary relief.

Fiscal 2012 tax revenue is expected to increase by 5.3% compared to fiscal 2011, with 6.0% growth in personal income taxes, 4.6% growth in sales taxes and 5.9% growth in corporate taxes.

BUDGET INCLUDES PENSION REFORM PROPOSAL

A pension reform proposal included in the budget recommendation will provide long-term benefits to the state, if enacted. Based on an updated actuarial valuation released on October 1, Massachusetts' pension funded ratio had improved to 67.5% from 62.7% in 2009, although that is still relatively low. Among its changes, the plan extends the funding schedule from 2025 to 2040, which reduces the fiscal 2012 contribution from \$2.2 billion to \$1.4 billion (although that is still larger than then fiscal 2011 amount). It also increases the retirement age to 67 for most state employees; eliminates early retirement subsidies; increases the period for calculating retirement from an average of three years to five years; and eliminates double-dipping. The proposal also would prohibit the commonwealth from making less than the annual payment required by the new schedule if investment returns exceed expectations: greater-than-expected gains would be used to shorten the schedule. The proposal also dedicates future tobacco settlement monies to the commonwealth's other post-employment benefits (OPEB) trust fund, starting in phases in fiscal 2013. The combined ratio of Massachusetts' pension and OPEB actuarially required contributions (ARC) to revenue is 16%, slightly higher than average. Left unchecked, those costs could limit the commonwealth's fiscal flexibility going forward, but the new plan should help to mitigate them.

EMPLOYMENT CONTINUES SLOW IMPROVEMENT; HIGH WEALTH AND EDUCATIONAL LEVELS CHARACTERIZE THE STATE

Jobs in Massachusetts began to grow again four months before the nation as a whole, and have increased on a year-over-year basis in each of the past 11 months. For both Massachusetts and the U.S., the growth has been slow although it accelerated in March, increasing in both by 1.0%. Similarly, Massachusetts' unemployment rate has been lower than the national average, and was 8.0% in March compared to 8.8% for the U.S.

The commonwealth continues to be aided by its large education and health sector, which makes up more than 20% of employment. The state also has a large financial activities sector, with a significant mutual fund presence. The state is characterized by high wealth and education levels but with slow population and job growth over the longer run. Per capita personal income in 2010 was \$51,552, ranking second among the states. According to the Census Bureau, the commonwealth had the highest percentage of residents with bachelor's degrees of any state in 2008, which has helped to attract and develop significant high tech and defense contracting sectors. Despite the highly educated population, however, during the last two recessions Massachusetts lost more jobs than the nation and gained fewer during the expansions that followed. Among the commonwealth's economic challenges are high business and housing costs and slow population growth with negative migration trends. Indeed, high costs have pushed some suburban Boston growth into more affordable New Hampshire.

HEAVY TAX-SUPPORTED DEBT LOAD

The commonwealth has a high debt burden, with \$17.8 billion in outstanding general obligation bonds and \$29 billion in total net tax-supported debt. Debt levels have been driven upwards by the commonwealth's issuance of bonds to finance projects that in other states would be paid for at the local level. Based on Moody's 2010 state debt medians, the state's debt levels ranked second-highest among the 50 states on both a per-capita basis and as a percentage of personal income, respectively, and is the highest as a percentage of state gross domestic product. Total net tax-supported debt amounted to 9.2% of total personal income in 2009 compared to the 50-state median of 2.5%.

CLOSELY MANAGED VARIABLE RATE DEBT AND SWAPS PORTFOLIO

Approximately 20% of the commonwealth's general obligation debt is variable rate, largely swapped to fixed rates through cost-of-funds swaps, eliminating basis risk. It has reduced its exposure to external liquidity facility risk through the issuance of SIFMA index bonds, although the need to roll or take out maturities of those bonds creates some market access and liquidity risks. The commonwealth's variable rate and derivatives portfolio is closely managed and its liquidity facilities and swap agreements contain provisions favorable to the commonwealth and offset its relatively low available cash balances. Liquidity facilities contain a mix of three- and five-year term-out provisions that, considering the strength of Massachusetts' market access should provide ample time to refinance if necessary. Swap counterparties are well-diversified and do not reflect collateral posting requirements on the part of the commonwealth. As of January 31, the mark-to-market value of Massachusetts' swaps was -\$356 million. The commonwealth also maintains a \$400 million commercial paper program.

For cash flow purposes, the commonwealth issued \$1.2 billion of revenue anticipation notes (RANs) in September 2010 with staggered maturities; the first matured this April, the remaining two mature in May and June.

Outlook

The outlook for Massachusetts is stable, reflecting improving revenues and efforts to regain structural budget balance. The outlook also reflects our expectation that the commonwealth will continue to take proactive measures to close budget gaps if they emerge, and that Massachusetts

will again rebuild reserves as the economy recovers. Going forward, heavy reliance on one-time budget solutions, tighter cash margins, unexpectedly severe economic deterioration, or a large increase in tax-supported debt would pose credit concerns.

What would make the rating change - UP

- Rapid rebuilding of reserves and establishment of stronger constraints on their use
- Established trend of structural budget balance
- Reduced debt ratios relative to Moody's 50-state median

What would make the rating change - DOWN

- Protracted structural budget imbalance driven by deeper and/or prolonged economic downturn
- Depletion of Budget Stabilization Fund to inadequate levels
- Increased leveraging of the commonwealth's resources to pay debt service or further erosion in funding ratios
- Narrowed cash flow that strains the commonwealth's liquidity

PRINCIPAL METHODOLOGY

The principal methodology used in this rating was Moody's State Rating Methodology published in November 2004.

REGULATORY DISCLOSURES

Information sources used to prepare the credit rating are the following: parties involved in the ratings, public information, and confidential and proprietary Moody's Analytics information.

Moody's Investors Service considers the quality of information available on the credit satisfactory for the purposes of assigning a credit rating.

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Please see ratings tab on the issuer/entity page on Moodys.com for the last rating action and the rating history.

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Please see the Credit Policy page on Moodys.com for the methodologies used in determining ratings, further information on the meaning of each rating category and the definition of default and recovery.

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Moody's
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STANDARD & POOR'S

225 Franklin Street, 15th Floor
Boston, MA 02110-2804
tel 617 530-8303
reference no.: 1172943

May 19, 2011

Commonwealth of Massachusetts
Office of State Treasurer
One Ashburton Place - 12th Floor
Boston, MA 02108
Attention: Mr. Colin MacNaught, Assistant Treasurer for Debt Management

Re: ***US\$485,000,000 The Commonwealth of Massachusetts, General Obligation Bonds
Consolidated Loan of 2011, Series B, dated: Date of Delivery, due: August 1, 2025***

Dear Mr. MacNaught:

Pursuant to your request for a Standard & Poor's rating on the above-referenced obligations, we have reviewed the information submitted to us and, subject to the enclosed *Terms and Conditions*, have assigned a rating of "AA". Standard & Poor's views the outlook for this rating as positive. A copy of the rationale supporting the rating is enclosed.

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you or by your agents but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer/obligor and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. This rating is based on financial information and documents we received prior to the issuance of this letter. Standard & Poor's assumes that the documents you have provided to us are final. If any subsequent changes were made in the final documents, you must notify us of such changes by sending us the revised final documents with the changes clearly marked.

To maintain the rating, Standard & Poor's must receive all relevant financial information as soon as such information is available. Placing us on a distribution list for this information would facilitate the process. You must promptly notify us of all material changes in the financial

Mr. Colin MacNaught

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May 19, 2011

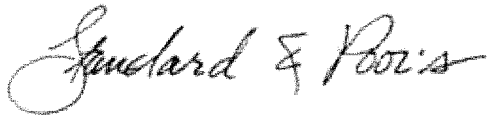
information and the documents. Standard & Poor's may change, suspend, withdraw, or place on CreditWatch the rating as a result of changes in, or unavailability of, such information. Standard & Poor's reserves the right to request additional information if necessary to maintain the rating.

Please send all information to:

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Public Finance Department
55 Water Street
New York, NY 10041-0003

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Sincerely yours,

A handwritten signature in cursive script that reads "Standard & Poor's".

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Office of Foreign Assets Control. As of the date of this Agreement, (a) neither you nor the issuer (if you are not the issuer) or any of your or the issuer’s subsidiaries, or any director or corporate officer of any of the foregoing entities, is the subject of any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury (“OFAC Sanctions”), (b) neither you nor the issuer (if you are not the issuer) is 50% or more owned or controlled, directly or indirectly, by any person or entity (“parent”) that is the subject of OFAC Sanctions, and (c) to the best of your knowledge, no entity 50% or more owned or controlled by a direct or indirect parent of you or the issuer (if you are not the issuer) is the subject of OFAC sanctions. For so long as this agreement is in effect, you will promptly notify Ratings Services if any of these circumstances change.

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Entire Agreement. Nothing in this Agreement shall prevent Ratings Services from acting in accordance with applicable laws, regulations and Ratings Services' policies as published from time to time. Subject to the prior sentence, this Agreement, including any amendment made in accordance with provisions hereof, constitutes the complete and entire agreement between the parties on all matters regarding the rating provided hereunder. The terms of this Agreement supersede any other terms and conditions relating to information provided to Ratings Services by you or your agents and advisors hereunder, including without limitation, terms and conditions found on, or applicable to, websites or other means through which you or your agents and advisors make such information available to Ratings Services, regardless if such terms and conditions are entered into before or after the date of this Agreement. Such terms and conditions shall be null and void as to Ratings Services.

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Termination of Agreement. This Agreement may be terminated by either party at any time upon written notice to the other party. Except where expressly limited to the term of this Agreement, these Terms and Conditions shall survive the termination of this Agreement.

No Third-Party Beneficiaries. Nothing in this Agreement, or the rating when issued, is intended or should be construed as creating any rights on behalf of any third parties, including, without limitation, any recipient of the rating. No person is intended as a third party beneficiary of this Agreement or of the rating when issued.

Binding Effect. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and their successors and assigns.

Severability. In the event that any term or provision of this Agreement shall be held to be invalid, void, or unenforceable, then the remainder of this Agreement shall not be affected, impaired, or invalidated, and each such term and provision shall be valid and enforceable to the fullest extent permitted by law.

Amendments. This Agreement may not be amended or superseded except by a writing that specifically refers to this Agreement and is executed manually or electronically by authorized representatives of both parties.

Governing law. You irrevocably agree that this Agreement and the rating letter, for purposes of any claim against Rating Services that may be asserted by you, your affiliates or any person asserting claims on your behalf, shall be governed by the internal laws of the State of New York. You irrevocably agree that, for purposes of any claim against Rating Services that may be asserted by you, your affiliates or any person asserting claims on your behalf in any dispute arising out of or relating to this Agreement, the state courts of New York located in the County of New York or the U.S. federal court for the Southern District of New York shall be the exclusive forums for such disputes and the parties hereby consent to the personal jurisdiction of such courts. For purposes of any claim against you that Rating Services may assert in any dispute arising out of or relating to the Agreement, neither party waives its right to contest the applicable governing law or the appropriate forum, including in connection with any assertion of sovereign immunity.

STANDARD & POOR'S

225 Franklin Street, 15th Floor
Boston, MA 02110-2804
tel 617 530-8303
reference no.: 1172944

May 19, 2011

Commonwealth of Massachusetts
Office of State Treasurer
One Ashburton Place - 12th Floor
Boston, MA 02108
Attention: Mr. Colin MacNaught, Assistant Treasurer for Debt Management

Re: ***US\$5,000,000 The Commonwealth of Massachusetts, General Obligation Bonds
Consolidated Loan of 2011, (Build Massachusetts Bonds), Series C, dated: Date of Delivery,
due: February 1, 2014***

Dear Mr. MacNaught:

Pursuant to your request for a Standard & Poor's rating on the above-referenced obligations, we have reviewed the information submitted to us and, subject to the enclosed *Terms and Conditions*, have assigned a rating of "AA". Standard & Poor's views the outlook for this rating as positive. A copy of the rationale supporting the rating is enclosed.

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you or by your agents but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer/obligor and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. This rating is based on financial information and documents we received prior to the issuance of this letter. Standard & Poor's assumes that the documents you have provided to us are final. If any subsequent changes were made in the final documents, you must notify us of such changes by sending us the revised final documents with the changes clearly marked.

To maintain the rating, Standard & Poor's must receive all relevant financial information as soon as such information is available. Placing us on a distribution list for this information would

Mr. Colin MacNaught
Page 2
May 19, 2011

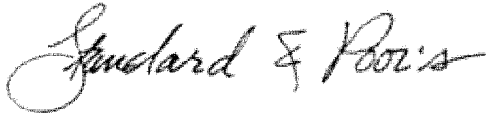
facilitate the process. You must promptly notify us of all material changes in the financial information and the documents. Standard & Poor's may change, suspend, withdraw, or place on CreditWatch the rating as a result of changes in, or unavailability of, such information. Standard & Poor's reserves the right to request additional information if necessary to maintain the rating.

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New York, NY 10041-0003

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Sincerely yours,

A stylized, handwritten signature of "Standard & Poor's" in cursive script.

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All Rating Actions in Ratings Services' Sole Discretion. Ratings Services may assign, raise, lower, suspend, place on CreditWatch, or withdraw a rating, and assign or revise an Outlook, at any time, in Ratings Services' sole discretion. Ratings Services may take any of the foregoing actions notwithstanding any request for a confidential or private rating or a withdrawal of a rating, or termination of this Agreement. Ratings Services will not convert a public rating to a confidential or private rating, or a private rating to a confidential rating.

Publication. Ratings Services reserves the right to use, publish, disseminate, or license others to use, publish or disseminate the rating provided hereunder and any analytical reports, including the rationale for the rating, unless you specifically request in connection with the initial rating that the rating be assigned and maintained on a confidential or private basis. If, however, a confidential or private rating or the existence of a confidential or private rating subsequently becomes public through disclosure other than by an act of Ratings Services or its affiliates, Ratings Services reserves the right to treat the rating as a public rating, including, without limitation, publishing the rating and any related analytical reports. Any analytical reports published by Ratings Services are not issued by or on behalf of you or at your request. Notwithstanding anything to the contrary herein, Ratings Services reserves the right to use, publish, disseminate or license others to use, publish or disseminate analytical reports with respect to public ratings that have been withdrawn, regardless of the reason for such withdrawal. Ratings Services may publish explanations of Ratings Services' ratings criteria from time to time and nothing in this Agreement shall be construed as limiting Ratings Services' ability to modify or refine its ratings criteria at any time as Ratings Services deems appropriate.

Information to be Provided by You. For so long as this agreement is in effect, in connection with the rating provided hereunder, you warrant that you will provide, or cause to be provided, as promptly as practicable, to Ratings Services all information requested by Ratings Services in accordance with its applicable published ratings criteria. The rating, and the maintenance of the rating, may be affected by Ratings Services' opinion of the information received from you or your agents or advisors. You further warrant that all information provided to Ratings Services by you or your agents or advisors regarding the rating or, if applicable, surveillance of the rating, as of the date such information is provided, (i) contains no untrue statement of material fact and does not omit a material fact necessary in order to make such information, in light of the circumstances in which it was provided, not misleading and (ii) does not infringe or violate the intellectual property rights of a third party. A material breach of the warranties in this paragraph shall constitute a material breach of this Agreement.

Confidential Information. For purposes of this Agreement, "Confidential Information" shall mean verbal or written information that you or your agents or advisors have provided to Ratings Services and, in a specific and particularized manner, have marked or otherwise indicated in writing (either prior to or promptly following such disclosure) that such

information is “Proprietary and Confidential.” Notwithstanding the foregoing, information disclosed by you or your agents or advisors to Ratings Services shall not be deemed to be Confidential Information, and Ratings Services shall have no obligation to treat such information as Confidential Information, if such information (i) was known by Ratings Services or its affiliates at the time of such disclosure and was not known by Ratings Services to be subject to a prohibition on disclosure, (ii) was known to the public at the time of such disclosure, (iii) becomes known to the public (other than by an act of Ratings Services or its affiliates) subsequent to such disclosure, (iv) is disclosed to Ratings Services or its affiliates by a third party subsequent to such disclosure and Ratings Services reasonably believes that such third party’s disclosure to Ratings Services or its affiliates was not prohibited, (v) is developed independently by Ratings Services or its affiliates without reference to the Confidential Information, (vi) is approved in writing by you for public disclosure, or (vii) is required by law or regulation to be disclosed by Ratings Services or its affiliates. Ratings Services acknowledges that it is aware that U.S. and state securities laws impose restrictions on trading in securities when in possession of material, non-public information and has adopted securities trading policies to that effect.

Ratings Services’ Use of Information. Except as otherwise provided herein, Ratings Services shall not disclose Confidential Information to third parties. Ratings Services may (i) use Confidential Information to assign, raise, lower, suspend, place on CreditWatch, or withdraw a rating, and assign or revise an Outlook, and (ii) share Confidential Information with its affiliates engaged in the ratings business who are bound by appropriate confidentiality obligations; in each case, subject to the restrictions contained herein, Ratings Services and such affiliates may publish information derived from Confidential Information. Ratings Services may also use, and share Confidential Information with any of its affiliates or agents engaged in the ratings or other financial services businesses who are bound by appropriate confidentiality obligations (“Relevant Affiliates and Agents”), for modelling, benchmarking and research purposes; in each case, subject to the restrictions herein, Ratings Services and such affiliates may publish information derived from Confidential Information. With respect to structured finance ratings not maintained on a confidential or private basis, Ratings Services may publish data aggregated from Confidential Information, excluding data that is specific to and identifies individual debtors (“Relevant Data”), and share such Confidential Information with any of its Relevant Affiliates and Agents for general market dissemination of Relevant Data; you confirm that, to the best of your knowledge, such publication would not breach any confidentiality obligations you may have toward third parties. Ratings Services will comply with all applicable U.S. and state laws, rules and regulations protecting personally-identifiable information and the privacy rights of individuals. Ratings Services acknowledges that you may be entitled to seek specific performance and injunctive or other equitable relief as a remedy for Ratings Services’ disclosure of Confidential Information in violation of this Agreement. Ratings Services and its affiliates reserve the right to use, publish, disseminate, or license others to use, publish or disseminate any non-Confidential Information provided by you, your agents or advisors.

Ratings Services Not an Expert, Underwriter or Seller under Securities Laws. Ratings Services has not consented to and will not consent to being named an “expert” or any similar designation under any applicable securities laws or other regulatory guidance, rules or recommendations, including without limitation, Section 7 of the U.S. Securities Act of 1933. Ratings Services is not an “underwriter” or “seller” as those terms are defined under applicable securities laws or other regulatory guidance, rules or recommendations, including without limitation Sections 11 and 12(a)(2) of the U.S. Securities Act of 1933. Rating Services has not performed the role or tasks associated with an “underwriter” or “seller” under the United States federal securities laws or other regulatory guidance, rules or recommendations in connection with this engagement.

Office of Foreign Assets Control. As of the date of this Agreement, (a) neither you nor the issuer (if you are not the issuer) or any of your or the issuer’s subsidiaries, or any director or corporate officer of any of the foregoing entities, is the subject of any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury (“OFAC Sanctions”), (b) neither you nor the issuer (if you are not the issuer) is 50% or more owned or controlled, directly or indirectly, by any person or entity (“parent”) that is the subject of OFAC Sanctions, and (c) to the best of your knowledge, no entity 50% or more owned or controlled by a direct or indirect parent of you or the issuer (if you are not the issuer) is the subject of OFAC sanctions. For so long as this agreement is in effect, you will promptly notify Ratings Services if any of these circumstances change.

Ratings Services’ Use of Confidential and Private Ratings. Ratings Services may use confidential and private ratings in its analysis of the debt issued by collateralized debt obligation (CDO) and other investment vehicles. Ratings Services may disclose a confidential or private rating as a confidential credit estimate or assessment to the managers of CDO and similar investment vehicles. Ratings Services may permit CDO managers to use and disseminate credit estimates or

assessments on a limited basis and subject to various restrictions; however, Ratings Services cannot control any such use or dissemination.

Entire Agreement. Nothing in this Agreement shall prevent Ratings Services from acting in accordance with applicable laws, regulations and Ratings Services' policies as published from time to time. Subject to the prior sentence, this Agreement, including any amendment made in accordance with provisions hereof, constitutes the complete and entire agreement between the parties on all matters regarding the rating provided hereunder. The terms of this Agreement supersede any other terms and conditions relating to information provided to Ratings Services by you or your agents and advisors hereunder, including without limitation, terms and conditions found on, or applicable to, websites or other means through which you or your agents and advisors make such information available to Ratings Services, regardless if such terms and conditions are entered into before or after the date of this Agreement. Such terms and conditions shall be null and void as to Ratings Services.

Limitation on Damages. Ratings Services does not and cannot guarantee the accuracy, completeness, or timeliness of the information relied on in connection with a rating or the results obtained from the use of such information. RATINGS SERVICES GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. Ratings Services, its affiliates or third party providers, or any of their officers, directors, shareholders, employees or agents shall not be liable to you, your affiliates or any person asserting claims on your behalf, directly or indirectly, for any inaccuracies, errors, or omissions, in each case regardless of cause, actions, damages (consequential, special, indirect, incidental, punitive, compensatory, exemplary or otherwise), claims, liabilities, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in any way arising out of or relating to the rating provided hereunder or the related analytic services even if advised of the possibility of such damages or other amounts except to the extent such damages or other amounts are finally determined by a court of competent jurisdiction in a proceeding in which you and Ratings Services are parties to result from gross negligence or willful misconduct of Ratings Services. In furtherance and not in limitation of the foregoing, Ratings Services will not be liable to you, your affiliates or any person asserting claims on your behalf in respect of any decisions alleged to be made by any person based on anything that may be perceived as advice or recommendations. In the event that Ratings Services is nevertheless held liable to you, your affiliates, or any person asserting claims on your behalf for monetary damages under this Agreement, in no event shall Ratings Services be liable in an aggregate amount in excess of seven times the aggregate fees paid to Ratings Services for the rating giving rise to the cause of action, up to a maximum of US\$5,000,000 except to the extent such monetary damages directly result from Ratings Services' intentional wrongdoing or willful misconduct. The provisions of this paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort (including, without limitation, negligence), or otherwise. Neither party waives any protections, privileges, or defenses it may have under law, including but not limited to, the First Amendment of the Constitution of the United States of America.

Termination of Agreement. This Agreement may be terminated by either party at any time upon written notice to the other party. Except where expressly limited to the term of this Agreement, these Terms and Conditions shall survive the termination of this Agreement.

No Third-Party Beneficiaries. Nothing in this Agreement, or the rating when issued, is intended or should be construed as creating any rights on behalf of any third parties, including, without limitation, any recipient of the rating. No person is intended as a third party beneficiary of this Agreement or of the rating when issued.

Binding Effect. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and their successors and assigns.

Severability. In the event that any term or provision of this Agreement shall be held to be invalid, void, or unenforceable, then the remainder of this Agreement shall not be affected, impaired, or invalidated, and each such term and provision shall be valid and enforceable to the fullest extent permitted by law.

Amendments. This Agreement may not be amended or superseded except by a writing that specifically refers to this Agreement and is executed manually or electronically by authorized representatives of both parties.

Governing law. You irrevocably agree that this Agreement and the rating letter, for purposes of any claim against Rating Services that may be asserted by you, your affiliates or any person asserting claims on your behalf, shall be governed by the internal laws of the State of New York. You irrevocably agree that, for purposes of any claim against Rating Services that may be asserted by you, your affiliates or any person asserting claims on your behalf in any dispute arising out of or relating to this Agreement, the state courts of New York located in the County of New York or the U.S. federal court for the Southern District of New York shall be the exclusive forums for such disputes and the parties hereby consent to the personal jurisdiction of such courts. For purposes of any claim against you that Rating Services may assert in any dispute arising out of or relating to the Agreement, neither party waives its right to contest the applicable governing law or the appropriate forum, including in connection with any assertion of sovereign immunity.

THE COMMONWEALTH OF MASSACHUSETTS

CROSS RECEIPT

Re: \$469,635,000 The Commonwealth of Massachusetts General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B (the "Series B Bonds") and \$6,795,000 Series C (the "Series C Bonds" and collectively with the Series B Bonds, the "Bonds")

I, the undersigned, Treasurer and Receiver-General of The Commonwealth of Massachusetts, hereby acknowledge that I have this day received the sum of \$517,967,423.51 from J.P. Morgan Securities LLC, as representative of the underwriters (the "Representative"), as named in the Bond Purchase Agreement dated May 24, 2011, in full payment for the Bonds. Such sum has been computed as follows:

Par Amount	\$469,635,000.00
Plus: Net Original Premium	50,363,330.75
Less: Underwriters Discount	(2,030,907.24)
Net Proceeds to the Commonwealth	<u>\$517,967.423.51</u>

Date: June 1, 2011

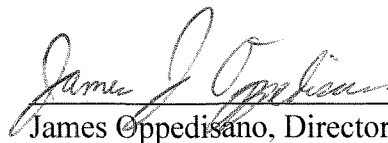


Steven Grossman
Treasurer and Receiver-General
of The Commonwealth of Massachusetts

The undersigned hereby acknowledges as Representative, receipt on this day of a total of: (i) 40 certificates relating to the Series B Bonds, which are numbered RB-1 through RB-40, registered in the name of CEDE & CO; and (ii) one certificate related to the Series C Bonds, which is numbered RC-1, registered in the name of CEDE & Co. The undersigned also acknowledges receipt of the good faith check in the amount of \$4,900,000.

J.P. Morgan Securities LLC, as
representative of the Underwriters

Date: June 1, 2011



James Oppedisano, Director

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.000%	August 1, 2012	57582PYH7	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FIFTY MILLION NINE HUNDRED SEVENTY THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or its registered assign the principal sum of Fifty Million Nine Hundred Seventy Thousand Dollars (\$50,970,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
2.000%	August 1, 2013	57582PYJ3	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: THREE MILLION THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Three Million Three Hundred Seventy-Five Thousand Dollars (\$3,375,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is part of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

RB-3

\$2,550,000

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.000%	August 1, 2013	57582PYX2	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: TWO MILLION FIVE HUNDRED FIFTY THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Two Million Five Hundred Fifty Thousand Dollars (\$2,550,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
4.000%	August 1, 2013	57582PZF0	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FORTY-NINE MILLION FOUR HUNDRED TEN THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Forty-Nine Million Four Hundred Ten Thousand Dollars (\$49,410,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in an aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

RB-5

\$4,395,000

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
2.000%	August 1, 2014	57582PYK0	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FOUR MILLION THREE HUNDRED NINETY-FIVE
THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Four Million Three Hundred Ninety-Five Thousand Dollars (\$4,395,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is part of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.000%	August 1, 2014	57582PYY0	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: NINE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Nine Hundred Seventy-Five Thousand Dollars (\$975,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2014	57582PZG8	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: TWENTY-THREE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Twenty-Three Million Two Hundred Fifty Thousand Dollars (\$23,250,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
2.000%	August 1, 2015	57582PYL8	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FOUR MILLION THREE HUNDRED THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Four Million Three Hundred Thousand Dollars (\$4,300,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

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THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.000%	August 1, 2015	57582PYZ7	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: THREE MILLION FOUR HUNDRED TWENTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assign the principal sum of Three Million Four Hundred Twenty-Five Thousand Dollars (\$3,425,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2015	57582PZH6	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: THIRTY-FOUR MILLION TWO HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or its registered assignee the principal sum of Thirty-Four Million Two Hundred Seventy-Five Thousand Dollars (\$34,275,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is part of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
2.000%	August 1, 2016	57582PYM6	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FOUR MILLION NINE HUNDRED TWENTY THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Four Million Nine Hundred Twenty Thousand Dollars (\$4,920,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.000%	August 1, 2016	57582PZA1	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: ONE MILLION SIX HUNDRED TWENTY THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of One Million Six Hundred Twenty Thousand Dollars (\$1,620,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS

General Obligation Bonds
Consolidated Loan of 2011, Series BMassachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2016	57582PZJ2	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FOURTEEN MILLION SEVEN HUNDRED TWENTY-FIVE
THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or its registered assign, the principal sum of Fourteen Million Seven Hundred Twenty-Five Thousand Dollars (\$14,725,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or fully provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.000%	August 1, 2017	57582PYN4	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FOUR MILLION FOUR HUNDRED TEN THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or its registered assign, the principal sum of Four Million Four Hundred Ten Thousand Dollars (\$4,410,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
4.000%	August 1, 2017	57582PZB9	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FIVE MILLION THREE HUNDRED NINETY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee, the principal sum of Five Million Three Hundred Ninety-Five Thousand Dollars (\$5,395,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2017	57582PZK9	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FORTY-THREE MILLION ONE HUNDRED NINETY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Forty-Three Million One Hundred Ninety-Five Thousand Dollars (\$43,195,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.000%	August 1, 2018	57582PYP9	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FIVE MILLION FOUR HUNDRED FIFTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Five Million Four Hundred Fifty-Five Thousand Dollars (\$5,455,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, and no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

RB-18

\$3,790,000

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
4.000%	August 1, 2018	57582PZC7	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: THREE MILLION SEVEN HUNDRED NINETY THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assign, the principal sum of Three Million Seven Hundred Ninety Thousand Dollars (\$3,790,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

RB-19

\$22,155,000

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2018	57582PZL7	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: TWENTY-TWO MILLION ONE HUNDRED FIFTY-FIVE
THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Twenty-Two Million One Hundred Fifty-Five Thousand Dollars (\$22,155,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or due, provided for, or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.000%	August 1, 2019	57582PYQ7	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: TWO MILLION FIVE HUNDRED THIRTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee, the principal sum of Two Million Five Hundred Thirty-Five Thousand Dollars (\$2,535,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
4.000%	August 1, 2019	57582PZD5	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FIVE MILLION NINE HUNDRED FORTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee, the principal sum of Five Million Nine Hundred Forty-Five Thousand Dollars (\$5,945,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the interest rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bond") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2019	57582PZM5	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: TWENTY-ONE MILLION FIVE HUNDRED TWENTY THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Twenty-One Million Five Hundred Twenty Thousand Dollars (\$21,520,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or due provided for, or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bond") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.000%	August 1, 2020	57582PYR5	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: THREE MILLION FIFTY THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Three Million Fifty Thousand Dollars (\$3,050,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
4.000%	August 1, 2020	57582PZE3	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: THREE MILLION EIGHT HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Three Million Eight Hundred Eighty-Five Thousand Dollars (\$3,885,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bond") for the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2020	57582PZN3	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: TWENTY-THREE MILLION SIXTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Twenty-Three Million Sixty-Five Thousand Dollars (\$23,065,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bond") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.000%	August 1, 2021	57582PYS3	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: SIX MILLION SIX HUNDRED NINETY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Six Million Six Hundred Ninety-Five Thousand Dollars (\$6,695,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.500%	August 1, 2021	57582PZP8	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: TWO MILLION FIFTEEN THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Two Million Fifteen Thousand Dollars (\$2,015,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2021	57582PZU7	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: SIXTEEN MILLION TWO HUNDRED NINETY THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Sixteen Million Two Hundred Ninety Thousand Dollars (\$16,290,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.000%	August 1, 2022	57582PYT1	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: TEN MILLION SEVENTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Ten Million Seventy-Five Thousand Dollars (\$10,075,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.500%	August 1, 2022	57582PZQ6	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: SIX HUNDRED TWENTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Six Hundred Twenty-Five Thousand Dollars (\$625,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2022	57582PZV5	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FOURTEEN MILLION THREE HUNDRED THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Fourteen Million Three Hundred Thousand Dollars (\$14,300,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.250%	August 1, 2023	57582PYU8	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: SEVEN MILLION TWO HUNDRED SIXTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Seven Million Two Hundred Sixty-Five Thousand Dollars (\$7,265,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
4.000%	August 1, 2023	57582PZR4	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FIVE HUNDRED THIRTY THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Five Hundred Thirty Thousand Dollars (\$530,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2023	57582PZW3	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: SEVENTEEN MILLION TWO HUNDRED FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Seventeen Million Two Hundred Five Thousand Dollars (\$17,205,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.375%	August 1, 2024	57582PYV6	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FIVE MILLION EIGHT HUNDRED SIXTY TWO THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Five Million Eight Hundred Sixty Thousand Dollars (\$5,860,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
4.000%	August 1, 2024	57582PZS2	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: ONE MILLION FIFTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of One Million Fifty-Five Thousand Dollars (\$1,055,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2024	57582PZX1	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: FIVE MILLION EIGHTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Five Million Eighty-Five Thousand Dollars (\$5,085,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
3.500%	August 1, 2025	57582PYW4	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: SIX MILLION FIVE HUNDRED EIGHTY THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Six Million Five Hundred Eighty Thousand Dollars (\$6,580,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
4.000%	August 1, 2025	57582PZT0	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: EIGHT HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Eight Hundred Eighty-Five Thousand Dollars (\$885,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series B

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-B)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
5.000%	August 1, 2025	57582PZY9	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: TWENTY-FIVE MILLION SEVEN HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assignee the principal sum of Twenty-Five Million Seven Hundred Eighty-Five Thousand Dollars (\$25,785,000) on the Maturity Date, and pay interest thereon semiannually on February 1st and August 1st of each year, commencing February 1, 2012 (each an "Interest Payment Date") at the Interest Rate per annum, calculated on the basis of 30-day months and a 360-day year, until such principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or has been provided for, or, if no interest has been paid, from the Issue Date hereof.

This Bond is one of an authorized issue of bonds of the Commonwealth dated June 1, 2011 (the "Bonds") in the aggregate principal amount of Four Hundred Sixty-two Million Eight Hundred Forty Thousand Dollars (\$462,840,000).

The Bonds will be subject to redemption on any date prior to their stated maturity dates on and after August 1, 2020 at the option of the Commonwealth from any monies legally available therefor, in whole or in part at any time, by lot, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

The Commonwealth shall give notice of redemption to the owners of the applicable Bonds not less than 30 days prior to the date fixed for redemption. So long as the book-entry-only system remains in effect for such Bonds, notices of redemption will be sent by the Commonwealth only to DTC or its nominee. Any failure on the part of DTC, any DTC participant or any nominee of a beneficial owner of any such Bond (having received notice from a DTC participant or otherwise) to notify the beneficial owner so affected, shall not affect the validity of the redemption.

On the specified redemption date, all Bonds called for redemption shall cease to bear interest, provided the Commonwealth has monies on hand to pay such redemption in full.

In the event that less than all of any maturity of any Bonds is to be redeemed, and so long as the book-entry-only system remains in effect for such Bonds, the particular Bonds or portion of any such Bonds of a particular maturity to be redeemed will be selected by DTC by lot. If the book-entry-only system no longer remains in effect for the Bonds, selection for redemption of less than all of any one maturity of the Bonds will be made by the Commonwealth by lot in such manner as in its discretion it shall deem appropriate and fair. For purposes of selection by lot within a maturity, each \$5,000 of principal amount of the Bonds will be considered a separate Bond.

The Bonds are being issued by means of a book-entry system, with one bond certificate for each maturity immobilized at The Depository Trust Company, New York, New York ("DTC"), and not available for distribution to the public, evidencing ownership of the Bonds in such principal amounts of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its participants to rules and procedures established by DTC and its participants. Interest on the Bonds and premium, if any, at maturity or upon earlier redemption, will be paid in clearinghouse funds to CEDE & CO., as nominee of DTC, as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC is the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The record date for principal and interest payments will be the fifth business day next preceding a debt service payment date. The Commonwealth is not responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the Treasurer and Receiver-General of the Commonwealth determines that continuation of the book-entry system of evidence and transfer of ownership would adversely affect the interests of the beneficial owners of the Bonds, the Commonwealth will discontinue the book-entry system with DTC. If the Commonwealth fails to identify another qualified securities depository to replace DTC, the Commonwealth will execute and deliver replacement certificates in accordance with law and such procedures as the Treasurer and Receiver-General of the Commonwealth shall deem appropriate.

This Bond is transferable only upon the books of the Commonwealth, which shall be kept for such purpose at the Office of the Treasurer and Receiver-General, Boston, Massachusetts.

No personal responsibility or accountability shall attach to any person executing this Bond by reason of such execution or the issuance hereof.

This Bond is issued by authority of Section 49 of Chapter 29 of the Massachusetts General Laws, and various bond authorizing acts. Pursuant to Section 49 of Chapter 29 of the Massachusetts General Laws, certain loans have been consolidated.

On behalf of the Commonwealth, the Treasurer and Receiver-General of the Commonwealth hereby covenants with the holders of the Bonds that the Commonwealth will comply with such requirements of the Internal Revenue Code of 1986, as amended, as must be

satisfied in order to assure that interest on the Bonds and continues to be excludable from the gross income of such holders for federal income tax purposes.

All acts, formalities and conditions essential to the validity hereof have been performed and complied with. This Bond constitutes a general obligation of the Commonwealth and the full faith and credit of the Commonwealth are pledged to the payment of the principal and interest on this Bond. It should be noted, however, that Chapter 62F of the Massachusetts General Laws establishes a state tax revenue growth limit and does not exclude principal and interest payments on Commonwealth debt obligations from the scope of the limit. It should further be noted that Chapter 29, Section 60B, of the Massachusetts General Laws impose an annual limitation on the percentage of total appropriations that may be expended for payment of interest and principal on general obligation debt of the Commonwealth.

Reference is made to further provisions of this bond in Attachment A hereto, which has the same effect as if set forth herein.

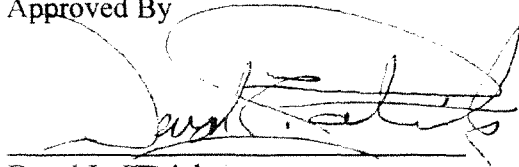
SPECIMEN

IN WITNESS WHEREOF, the Commonwealth has caused this Bond to be executed in its name and on its behalf by the signature of its Treasurer and Receiver-General and the approval of the Governor of the Commonwealth to be noted hereon by his signature or a facsimile thereof and has caused its official seal or a facsimile thereof to be impressed or otherwise reproduced hereon, all as of the date hereof.

THE COMMONWEALTH OF MASSACHUSETTS

[SEAL]

Approved By



Deval L. Patrick
Governor



Steven Crossman
Treasurer and Receiver General

SPECIMEN

The Commonwealth of Massachusetts
\$462,840,000
GENERAL OBLIGATION BONDS
CONSOLIDATED LOAN OF 2011, SERIES B

Continuing Disclosure Undertaking

On behalf of the Commonwealth, the Treasurer and Receiver-General of the Commonwealth hereby undertakes for the benefit of the owners of the Bonds to provide the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system pursuant to the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), no later than 270 days after the end of each fiscal year of the Commonwealth, commencing with the fiscal year ending June 30, 2011, (i) the annual financial information described below relating to such fiscal year together with audited financial statements of the Commonwealth for such fiscal year if audited financial statements are then available; provided, however, that if audited financial statements of the Commonwealth are not then available, such audited financial statements shall be delivered to EMMA when they become available (but in no event later than 350 days after the end of such fiscal year) or (ii) notice of the Commonwealth's failure, if any, to provide any such information. The annual financial information to be provided as aforesaid shall include financial information and operating data, in each case updated through the last day of such fiscal year unless otherwise noted, relating to the following information contained in the Commonwealth's Information Statement dated March 15, 2011 (the "Information Statement"), as it appears as Appendix A in the Official Statement dated March 23, 2011 of the Commonwealth with respect to its \$80,005,000 General Obligation Refunding Bonds, 2011 Series B and its \$360,000,000 General Obligation Bonds, Consolidated Loan of 2011, Series A, which Official Statement has been filed with EMMA, and substantially in the same level of detail as is found in the referenced section of the Information Statement:

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
1. Summary presentation on statutory accounting and five-year comparative basis of selected budgeted operating funds operations, revenues and expenditures, concluding with prior fiscal year, plus estimates for current fiscal year	"COMMONWEALTH BUDGET AND FINANCIAL MANAGEMENT CONTROLS – Statutory Basis Distribution of Budgetary Revenues and Expenditures"
2. Summary presentation on GAAP and five-year comparative basis of governmental funds operations, concluding with prior fiscal year	"SELECTED FINANCIAL DATA – GAAP Basis"

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
3. Summary presentation on a five-year comparative basis of lottery revenues and profits	"COMMONWEALTH REVENUES AND EXPENDITURES – Federal and Other Non-Tax Revenues; <i>Lottery Revenues</i> "
4. Summary presentation of payments received pursuant to the tobacco master settlement agreement	"COMMONWEALTH REVENUES AND EXPENDITURES – Federal and Other Non-Tax Revenues; <i>Tobacco Settlement</i> "
5. So long as Commonwealth statutes impose limits on tax revenues, information as to compliance therewith in the prior fiscal year	"COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues"
6. Summary description of the retirement systems for which the Commonwealth is responsible, including membership and contribution rates.	"PENSION AND OPEB FUNDING – Retirement Systems" and "PENSION AND OPEB FUNDING – Employee Contributions."
7. Summary presentation of the then-current, statutorily imposed funding schedule for future Commonwealth pension liabilities, if any	"PENSION AND OPEB FUNDING – Funding Schedule."
8. Summary presentation on a five-year comparative basis of actuarial valuations of pension fund assets, liabilities and funding progress.	"PENSION AND OPEB FUNDING – Actuarial Valuations."
9. Summary presentation on a five-year comparative basis of annual required pension contributions under GAAP and pension contributions made.	"PENSION AND OPEB FUNDING – Annual Required Contributions."
10. Summary presentation on a five-year comparative basis of PRIT Fund asset allocation and investment returns.	"PENSION AND OPEB FUNDING – PRIT Fund Investments."
11. Summary presentation of actuarial valuations of OPEB assets, liabilities and funding progress.	"PENSION AND OPEB FUNDING – Other Post-Retirement Employee Benefit Obligations (OPEB)."
12. If and to the extent otherwise updated in the prior fiscal year, summary presentation of the size of the state workforce	"STATE WORKFORCE"

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
13. Five-year summary presentation of actual capital project expenditures	"COMMONWEALTH CAPITAL INVESTMENT PLAN"
14. Statement of general and special obligation long-term debt issuance and repayment analysis on a five-year comparative basis through the end of the prior fiscal year	"LONG-TERM LIABILITIES – General and Special Obligation Long-Term Debt Issuance and Repayment Analysis"
15. Statement of outstanding Commonwealth debt on a five-year comparative basis through the end of the prior fiscal year	"LONG-TERM LIABILITIES – Outstanding Long Term Commonwealth Debt"
16. Annual fiscal year debt service requirements for Commonwealth general obligation and special obligation bonds, beginning with the current fiscal year	"LONG-TERM LIABILITIES – Debt Service Requirements"
17. Annual fiscal year contract assistance requirements for Commonwealth general obligation contract assistance beginning with the current fiscal year	"LONG-TERM LIABILITIES – General Obligation Contract Assistance Liabilities"
18. Annual fiscal year budgetary contractual assistance liabilities for Commonwealth beginning with the current fiscal year	"LONG-TERM LIABILITIES – Budgetary Contract Assistance Liabilities"
19. Five-year summary presentation of authorized but unissued general obligation debt	"LONG-TERM LIABILITIES – Authorized But Unissued Debt"
20. So long as Commonwealth statutes impose a limit on the amount of outstanding "direct" bonds, information as to compliance therewith as of the end of the prior fiscal year	"LONG-TERM LIABILITIES – General Authority to Borrow; <i>Statutory Limit on Direct Debt</i> "
21. Summary presentation of the then-current, Commonwealth interest rate swap agreements	"LONG-TERM LIABILITIES – Interest Rate Swaps"
22. Summary presentation of the then-current, Commonwealth liquidity facilities	"LONG-TERM LIABILITIES – Liquidity Facilities"

Any or all of the items listed above may be included by reference to other documents, including official statements pertaining to debt issued by the Commonwealth, which have been submitted to EMMA. The Commonwealth's annual financial statements for each fiscal year shall consist of (i) combined financial statements prepared in accordance with a basis of accounting that demonstrates compliance with the Massachusetts General Laws and other applicable state finance laws, if any, in effect from time to time and (ii) general purpose financial statements prepared in accordance with generally accepted accounting principles in effect from time to time and shall be audited by a firm of certified public accountants appointed by the Commonwealth. On behalf of the Commonwealth, the Treasurer and Receiver-General of the Commonwealth hereby further undertakes for the benefit of the owners of the Bonds to provide in a timely manner, not in excess of ten business days after occurrence of the event, to EMMA notice of any of the following events with respect to the Bonds (numbered in accordance with the provisions of the Rule):

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserve reflecting financial difficulties;^{1/}
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinion, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modification to the rights of security holders, if material;
- (viii) bond calls, if material;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Bonds, if material;^{2/}
- (xi) rating changes;
- (xii) tender offers;
- (xiii) bankruptcy, insolvency, receivership or similar event of the Commonwealth;^{3/}

^{1/}Not applicable to the Bonds, since there is no debt service reserve fund securing the Bonds.

^{2/}Not applicable to the Bonds, since there is no property securing repayment of the Bonds that could be released, substituted or sold.

- (xiv) the consummation of a merger, consolidation, or acquisition or the sale of all or substantially all of the assets of the Commonwealth, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xv) appointment of a successor or additional trustee or the change of name of a trustee, if material.^{4/}

Nothing herein shall preclude the Commonwealth from disseminating any information in addition to that required hereunder. If the Commonwealth disseminates any such additional information, nothing herein shall obligate the Commonwealth to update such information or include it in any future materials disseminated.

To the extent permitted by law, the foregoing provisions of this Bond related to the above-described undertakings to provide information shall be enforceable against the Commonwealth in accordance with the terms thereof by any owner of a Bond, including any beneficial owner acting as a third-party beneficiary (upon proof of its status as a beneficial owner reasonably satisfactory to the Treasurer and Receiver-General). To the extent permitted by law, any such owner shall have the right, for the equal benefit and protection of all owners of Bonds, by mandamus or other suit or proceeding at law or in equity, to enforce its rights against the Commonwealth and to compel the Commonwealth and any of its officers, agents or employees to perform and carry out their duties under the foregoing provisions as aforesaid, provided; however, that the sole remedy in connection with such undertakings shall be limited to an action to compel specific performance of the obligations of the Commonwealth in connection with such undertakings and shall not include any right to monetary damages. The Commonwealth's obligations in respect of such undertakings shall terminate if no Bonds remain outstanding (without regard to an economic deficiency) or if the provisions of the Rule concerning continuing disclosure are no longer effective, whichever occurs first. The provisions of this Bond relating to such undertakings may be amended by the Treasurer and Receiver-General of the Commonwealth, without the consent of, or notice to, any owners of the Bonds, (a) to comply with or conform to the provisions of the Rule or any amendments thereto or authoritative interpretations thereof by the Securities and Exchange Commission or its staff (whether required or optional), (b) to add a dissemination agent for the information required to be provided by such undertakings and to make any necessary or desirable provisions with respect thereto, (c) to add to the covenants of the Commonwealth for the benefit of the owners of Bonds, (d) to modify the contents, presentation and format of the annual financial information from time to time as a result of a change in circumstances that arises from a change in legal requirements, or (e) to otherwise modify the undertakings in a manner consistent with the provisions of state legislation establishing a state information depository or otherwise responding to the requirements of the

^{3/} As noted in the Rule, this event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for the Commonwealth in a proceeding under the U.S. Bankruptcy Code or in any proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Commonwealth, or if such jurisdiction has been assumed by leaving the existing governing body and officials in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Commonwealth.

^{4/} Not applicable to the Bonds.

Rule concerning continuing disclosure; provided, however, that in the case of any amendment pursuant to clause (d) or (e), (i) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances, and (ii) the amendment does not materially impair the interests of the owners of the Bonds, as determined either by a party unaffiliated with the Commonwealth (such as Commonwealth disclosure counsel or Commonwealth bond counsel) or by the vote or consent of owners of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment.

SPECIMEN

THE COMMONWEALTH OF MASSACHUSETTS
General Obligation Bonds
Consolidated Loan of 2011, Series C

Massachusetts General Laws, Chapter 29, Section 49
(MA 11-C)

<u>Maturity Date</u>	<u>CUSIP</u>	<u>Issue Date</u>
February 1, 2014	57582PZZ6	June 1, 2011

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: SIX MILLION SEVEN HUNDRED NINETY-FIVE THOUSAND DOLLARS

THE COMMONWEALTH OF MASSACHUSETTS (the "Commonwealth"), for value received, promises to pay to CEDE & CO. or registered assigns the principal sum of Six Million Seven Hundred Ninety-Five Thousand Dollars (\$6,795,000) on the Maturity Date, without interest.

The Bonds are not subject to redemption prior to the Maturity Date.

The Bonds are being issued by means of a book-entry system, with one bond certificate for each maturity immobilized at The Depository Trust Company, New York, New York ("DTC"), and not available for distribution to the public, evidencing ownership of the Bonds in such principal amounts of \$1,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its participants to rules and procedures established by DTC and its participants. Transfer of principal payments to participants of DTC is the responsibility of DTC; transfer of principal payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The record date for principal payments will be the fifth business day next preceding the Maturity Date. The Commonwealth is not responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the Treasurer and Receiver-General of the Commonwealth determines that continuation of the book-entry system of evidence and transfer of ownership would adversely affect the interests of the beneficial owners of the Bonds, the Commonwealth will discontinue the book-entry system with DTC. If the Commonwealth fails to identify another qualified securities depository to replace DTC, the Commonwealth will execute and deliver replacement certificates in accordance with law and such procedures as the Treasurer and Receiver-General of the Commonwealth shall deem appropriate.

This Bond is transferable only upon the books of the Commonwealth, which shall be kept for such purpose at the Office of the Treasurer and Receiver-General, Boston, Massachusetts.

No personal responsibility or accountability shall attach to any person executing this Bond by reason of such execution or the issuance hereof.

This Bond is issued by authority of Section 49 of Chapter 29 of the Massachusetts General Laws, and various bond authorizing acts. Pursuant to Section 49 of Chapter 29 of the Massachusetts General Laws, certain loans have been consolidated.

On behalf of the Commonwealth, the Treasurer and Receiver-General of the Commonwealth hereby covenants with the holders of the Bonds that the Commonwealth will comply with such requirements of the Internal Revenue Code of 1986, as amended, as must be satisfied in order to assure that any amounts treated as interest on the Bonds is and continues to be excludable from the gross income of such holders for federal income tax purposes.

All acts, formalities and conditions essential to the validity hereof have been performed and complied with. This Bond constitutes a general obligation of the Commonwealth and the full faith and credit of the Commonwealth are pledged to the payment of the principal on this Bond. It should be noted, however, that Chapter 62F of the Massachusetts General Laws establishes a state tax revenue growth limit and does not exclude principal and interest payments on Commonwealth debt obligations from the scope of the limit. It should further be noted that Chapter 29, Section 60B, of the Massachusetts General Laws impose an annual limitation on the percentage of total appropriations that may be expended for payment of interest and principal on general obligation debt of the Commonwealth.

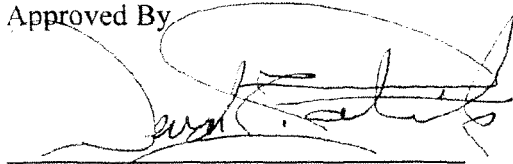
Reference is made to further provisions of this bond in Attachment A hereto, which has the same effect as if set forth herein.

IN WITNESS WHEREOF, the Commonwealth has caused this Bond to be executed in its name and on its behalf by the signature of its Treasurer and Receiver-General and the approval of the Governor of the Commonwealth to be noted hereon by his signature or a facsimile thereof and has caused its official seal or a facsimile thereof to be impressed or otherwise reproduced hereon, all as of the date hereof.

THE COMMONWEALTH OF MASSACHUSETTS

[SEAL]

Approved By



Deval L. Patrick
Governor



Steven G. Simon
Treasurer and Receiver General

SPECIMEN

The Commonwealth of Massachusetts
\$6,795,000
GENERAL OBLIGATION BONDS
CONSOLIDATED LOAN OF 2011, SERIES C

Continuing Disclosure Undertaking

On behalf of the Commonwealth, the Treasurer and Receiver-General of the Commonwealth hereby undertakes for the benefit of the owners of the Bonds to provide the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system pursuant to the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), no later than 270 days after the end of each fiscal year of the Commonwealth, commencing with the fiscal year ending June 30, 2011, (i) the annual financial information described below relating to such fiscal year together with audited financial statements of the Commonwealth for such fiscal year if audited financial statements are then available; provided, however, that if audited financial statements of the Commonwealth are not then available, such audited financial statements shall be delivered to EMMA when they become available (but in no event later than 350 days after the end of such fiscal year) or (ii) notice of the Commonwealth's failure, if any, to provide any such information. The annual financial information to be provided as aforesaid shall include financial information and operating data, in each case updated through the last day of such fiscal year unless otherwise noted, relating to the following information contained in the Commonwealth's Information Statement dated March 15, 2011 (the "Information Statement"), as it appears as Appendix A in the Official Statement dated March 23, 2011 of the Commonwealth with respect to its \$80,005,000 General Obligation Refunding Bonds, 2011 Series B and its \$360,000,000 General Obligation Bonds, Consolidated Loan of 2011, Series A, which Official Statement has been filed with EMMA, and substantially in the same level of detail as is found in the referenced section of the Information Statement:

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
1. Summary presentation on statutory accounting and five-year comparative basis of selected budgeted operating funds operations, revenues and expenditures, concluding with prior fiscal year, plus estimates for current fiscal year	"COMMONWEALTH BUDGET AND FINANCIAL MANAGEMENT CONTROLS – Statutory Basis Distribution of Budgetary Revenues and Expenditures"
2. Summary presentation on GAAP and five-year comparative basis of governmental funds operations, concluding with prior fiscal year	"SELECTED FINANCIAL DATA – GAAP Basis"

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
3. Summary presentation on a five-year comparative basis of lottery revenues and profits	"COMMONWEALTH REVENUES AND EXPENDITURES – Federal and Other Non-Tax Revenues; <i>Lottery Revenues</i> "
4. Summary presentation of payments received pursuant to the tobacco master settlement agreement	"COMMONWEALTH REVENUES AND EXPENDITURES – Federal and Other Non-Tax Revenues; <i>Tobacco Settlement</i> "
5. So long as Commonwealth statutes impose limits on tax revenues, information as to compliance therewith in the prior fiscal year	"COMMONWEALTH REVENUES AND EXPENDITURES – Limitations on Tax Revenues"
6. Summary description of the retirement systems for which the Commonwealth is responsible, including membership and contribution rates.	"PENSION AND OPEB FUNDING – Retirement Systems" and "PENSION AND OPEB FUNDING – Employee Contributions"
7. Summary presentation of the then-current, statutorily imposed funding schedule for future Commonwealth pension liabilities, if any	"PENSION AND OPEB FUNDING – Funding Schedule."
8. Summary presentation on a five-year comparative basis of actuarial valuations of pension net assets, liabilities and funding progress.	"PENSION AND OPEB FUNDING – Actuarial Valuations."
9. Summary presentation on a five-year comparative basis of annual required pension contributions under GAAP and pension contributions made.	"PENSION AND OPEB FUNDING – Annual Required Contributions."
10. Summary presentation on a five-year comparative basis of PRIT Fund asset allocation and investment returns.	"PENSION AND OPEB FUNDING – PRIT Fund Investments."
11. Summary presentation of actuarial valuations of OPEB assets, liabilities and funding progress.	"PENSION AND OPEB FUNDING – Other Post-Retirement Employee Benefit Obligations (OPEB)."
12. If and to the extent otherwise updated in the prior fiscal year, summary presentation of the size of the state workforce	"STATE WORKFORCE"

Financial Information and Operating Data Category	Reference to Information Statement for Level of Detail
13. Five-year summary presentation of actual capital project expenditures	"COMMONWEALTH CAPITAL INVESTMENT PLAN"
14. Statement of general and special obligation long-term debt issuance and repayment analysis on a five-year comparative basis through the end of the prior fiscal year	"LONG-TERM LIABILITIES – General and Special Obligation Long-Term Debt Issuance and Repayment Analysis"
15. Statement of outstanding Commonwealth debt on a five-year comparative basis through the end of the prior fiscal year	"LONG-TERM LIABILITIES – Outstanding Long Term Commonwealth Debt"
16. Annual fiscal year debt service requirements for Commonwealth general obligation and special obligation bonds, beginning with the current fiscal year	"LONG-TERM LIABILITIES – Debt Service Requirements"
17. Annual fiscal year contract assistance requirements for Commonwealth general obligation contract assistance beginning with the current fiscal year	"LONG-TERM LIABILITIES – General Obligation Contract Assistance Liabilities"
18. Annual fiscal year budgetary contractual assistance liabilities for Commonwealth, beginning with the current fiscal year	"LONG-TERM LIABILITIES – Budgetary Contract Assistance Liabilities"
19. Five-year summary presentation of authorized but unissued general obligation debt	"LONG-TERM LIABILITIES – Authorized But Unissued Debt"
20. So long as Commonwealth statutes impose a limit on the amount of outstanding "direct" bonds, information as to compliance therewith as of the end of the prior fiscal year	"LONG-TERM LIABILITIES – General Authority to Borrow; <i>Statutory Limit on Direct Debt</i> "
21. Summary presentation of the then-current, Commonwealth interest rate swap agreements	"LONG-TERM LIABILITIES – Interest Rate Swaps"
22. Summary presentation of the then-current, Commonwealth liquidity facilities	"LONG-TERM LIABILITIES – Liquidity Facilities"

Any or all of the items listed above may be included by reference to other documents, including official statements pertaining to debt issued by the Commonwealth, which have been submitted to EMMA. The Commonwealth's annual financial statements for each fiscal year shall consist of (i) combined financial statements prepared in accordance with a basis of accounting that demonstrates compliance with the Massachusetts General Laws and other applicable state finance laws, if any, in effect from time to time and (ii) general purpose financial statements prepared in accordance with generally accepted accounting principles in effect from time to time and shall be audited by a firm of certified public accountants appointed by the Commonwealth. On behalf of the Commonwealth, the Treasurer and Receiver-General of the Commonwealth hereby further undertakes for the benefit of the owners of the Bonds to provide in a timely manner, not in excess of ten business days after occurrence of the event, to EMMA notice of any of the following events with respect to the Bonds (numbered in accordance with the provisions of the Rule):

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserve reflecting financial difficulties;^{1/}
- (iv) unscheduled draws on credit enhancement reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to the rights of security holders, if material;
- (viii) bond calls, if material;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Bonds, if material;^{2/}
- (xi) rating changes;
- (xii) tender offers;
- (xiii) bankruptcy, insolvency, receivership or similar event of the Commonwealth;^{3/}

1/Not applicable to the Bonds, since there is no debt service reserve fund securing the Bonds.

2/Not applicable to the Bonds, since there is no property securing repayment of the Bonds that could be released, substituted or sold.

- (xiv) the consummation of a merger, consolidation, or acquisition or the sale of all or substantially all of the assets of the Commonwealth, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xv) appointment of a successor or additional trustee or the change of name of a trustee, if material.^{4/}

Nothing herein shall preclude the Commonwealth from disseminating any information in addition to that required hereunder. If the Commonwealth disseminates any such additional information, nothing herein shall obligate the Commonwealth to update such information or include it in any future materials disseminated.

To the extent permitted by law, the foregoing provisions of this Bond related to the above-described undertakings to provide information shall be enforceable against the Commonwealth in accordance with the terms thereof by any owner of a Bond, including any beneficial owner acting as a third-party beneficiary (upon proof of its status as a beneficial owner reasonably satisfactory to the Treasurer and Receiver-General). To the extent permitted by law, any such owner shall have the right, for the equal benefit and protection of all owners of Bonds, by mandamus or other suit or proceeding at law or in equity to enforce its rights against the Commonwealth and to compel the Commonwealth and any of its officers, agents or employees to perform and carry out their duties under the foregoing provisions as aforesaid, provided; however, that the sole remedy in connection with such undertakings shall be limited to an action to compel specific performance of the obligations of the Commonwealth in connection with such undertakings and shall not include any rights to monetary damages. The Commonwealth's obligations in respect of such undertakings shall terminate if no Bonds remain outstanding (without regard to an economic defeasance) or if the provisions of the Rule concerning continuing disclosure are no longer effective, whichever occurs first. The provisions of this Bond relating to such undertakings may be amended by the Treasurer and Receiver-General of the Commonwealth, without the consent of, or notice to, any owners of the Bonds, (a) to comply with or conform to the provisions of the Rule or any amendments thereto or authoritative interpretations thereof by the Securities and Exchange Commission or its staff (whether required or optional), (b) to add a dissemination agent for the information required to be provided by such undertakings and to make any necessary or desirable provisions with respect thereto, (c) to add to the covenants of the Commonwealth for the benefit of the owners of Bonds, (d) to modify the contents, presentation and format of the annual financial information from time to time as a result of a change in circumstances that arises from a change in legal requirements, or (e) to otherwise modify the undertakings in a manner consistent with the provisions of state legislation establishing a state information depository or otherwise responding to the requirements of the

^{1/} As noted in the Rule, this event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for the Commonwealth in a proceeding under the U.S. Bankruptcy Code or in any proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Commonwealth, or if such jurisdiction has been assumed by leaving the existing governing body and officials in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Commonwealth.

^{4/} Not applicable to the Bonds.

Rule concerning continuing disclosure; provided, however, that in the case of any amendment pursuant to clause (d) or (e), (i) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances, and (ii) the amendment does not materially impair the interests of the owners of the Bonds, as determined either by a party unaffiliated with the Commonwealth (such as Commonwealth disclosure counsel or Commonwealth bond counsel) or by the vote or consent of owners of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment.

SPECIMEN

NIXON PEABODY^{LLP}

ATTORNEYS AT LAW

401 9th Street N.W.

Suite 900

Washington, DC 20004-2128

(202) 585-8000

Fax: (202) 585-8080

Bruce M. Serchuk

Direct Dial: (202) 585-8267

Direct Fax: (866) 741-5625

E-Mail: bserchuk@nixonpeabody.com

June 3, 2011

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Internal Revenue Service Center
Ogden, Utah 84201

Re: Commonwealth of Massachusetts, General Obligations Bonds, Consolidated
Loan of 2011, Series B and C

Ladies and Gentlemen:

Enclosed is the Form 8038-G, Information Return for Tax-Exempt Governmental
Obligations, for the above-referenced issue.

Thank you for your attention to this matter.

Sincerely yours,



Bruce M. Serchuk

Enclosure

Receipt #7009 1410 0002 5982 5782

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(a)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority

If Amended Return, check here ☐

1 Issuer's name Commonwealth of Massachusetts		2 Issuer's employer identification number (EIN) 04 6002284
3 Number and street (or P.O. box if mail is not delivered to street address) Treasurer and Receiver-General, State House	Room/suite 227	4 Report number (For IRS Use Only) 3
5 City, town, or post office, state, and ZIP code Boston, Massachusetts 02133		6 Date of issue June 1, 2011
7 Name of issue General Obligation Bonds, Consolidated Loan of 2011, Series B and C		8 CUSIP number 57582PYW4; 57582PZT0; 57582PZY9
9 Name and title of officer of the issuer or other person whom the IRS may call for more information Colin A. MacNaught, Assistant Treasurer		10 Telephone number of officer or other person (617) 367-6900

Part II Type of Issue (enter the issue price) See instructions and attach schedule

11 Education	11		
12 Health and hospital	12		
13 Transportation	13		
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe ► Various Capital Projects	18	519,998,330	75
19 If obligations are TANs or RANs, check only box 19a			
If obligations are BANs, check only box 19b			
20 If obligations are in the form of a lease or installment sale, check box			

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	08/01/25	\$ 519,998,330.75	\$ 469,635,000.00	6.6616 years	2.4241 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

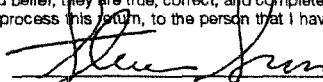
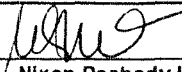
22 Proceeds used for accrued interest	22	0	00
23 Issue price of entire issue (enter amount from line 21, column (b))	23	519,998,330	75
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	2,030,907	24
25 Proceeds used for credit enhancement	25	0	00
26 Proceeds allocated to reasonably required reserve or replacement fund	26	0	00
27 Proceeds used to currently refund prior issues	27	0	00
28 Proceeds used to advance refund prior issues	28	0	00
29 Total (add lines 24 through 28)	29	2,030,907	24
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	517,967,423	51

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

31 Enter the remaining weighted average maturity of the bonds to be currently refunded	years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	
34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)	

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . .	35	0	00
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	0	00
b	Enter the final maturity date of the GIC ▶ _____			
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	0	00
b	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer ▶ _____ and the date of the issue ▶ _____			
38	If the issuer has designated the issue under section 265(b)(3)(B)(i)(iii) (small issuer exception), check box			<input type="checkbox"/>
39	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box			<input type="checkbox"/>
40	If the issuer has identified a hedge, check box			<input type="checkbox"/>

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	 Signature of issuer's authorized representative		5/26/11 Date	
		Steven Grossman, Treasurer and Receiver-General Type or print name and title		
Paid Preparer's Use Only	Preparer's signature	 Nixon Peabody LLP	Date	6/3/11
	Firm's name (or yours if self-employed), address, and ZIP code	401 9th Street NW, Suite 900, Washington, DC 20004		Check if self-employed <input type="checkbox"/> EIN 16 : 0764720 Phone no. (202) 585-8000

U.S. Postal Service
CERTIFIED MAIL RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage \$1.02
 Certified Fee 7
 Return Receipt Fee (Endorsement Required)
 Restricted Delivery Fee (Endorsement Required)
 Tot

Postmark Here

Stamp: JUN 1 2004 OGDEN, UT

Internal Revenue Service Center
Ogden, Utah 84201

Sent _____
 Street or P.O. _____
 City, _____

PS Form 3800, August 2006

See Reverse for Instructions

2925 2965 2000 0711 6002

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Internal Revenue Service Center
Ogden, Utah 84201

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee

B. Received by (Print name) ☐ Date of Delivery

C. Is delivery address different from item 1? ☐ Yes ☒ No
 If YES, enter delivery address below:

Stamp: RECEIVED JUN 1 2004 OGDEN, UT

3. Service type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

(Transfer from service label)

7009 1410 0002 5982 5982

PS Form 3811, February 2004

Domestic Return Receipt

102895-02-M-1540



Blanket Issuer Letter of Representations
(To be Completed by Issuer)

The Commonwealth of Massachusetts
(Name of Issuer)

May 22, 1995
(Date)

Attention: Underwriting Department — Eligibility
The Depository Trust Company
55 Water Street, 50th Floor
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

The Commonwealth of Massachusetts
(Issuer)

By: Joseph D. Malone
(Authorized Officer/Signatory)

Joseph D. Malone,
Treasurer and Receiver-General

Received and Accepted:

THE DEPOSITORY TRUST COMPANY

By: James M. McBreary

June 1, 2011

The Honorable Steven Grossman
Treasurer and Receiver-General
The Commonwealth of Massachusetts
State House - Room 227
Boston, Massachusetts 02133

Re: The Commonwealth of Massachusetts General Obligation Bonds,
Consolidated Loan of 2011, Series B and General Obligation Bonds,
Consolidated Loan of 2011, Series C (BuildMassBonds)

Ladies and Gentlemen:

We have acted as Bond Counsel to The Commonwealth of Massachusetts in connection with the issuance by the Commonwealth of \$469,635,000 aggregate principal amount of General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B (the "Series B Bonds") and \$6,795,000 Series C (BuildMassBonds) (the "Series C Bonds" and collectively with the Series B Bonds, the "Bonds"), dated June 1, 2011.

We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation. On the basis of the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds are valid general obligations of The Commonwealth of Massachusetts (the "Commonwealth") and the full faith and credit of the Commonwealth are pledged for the payment of the principal of and interest on the Bonds. It should be noted, however, that Chapter 62F of the General Laws of The Commonwealth of Massachusetts establishes a state tax revenue growth limit and does not exclude principal and interest payments on Commonwealth debt obligations from the scope of the limit.

2. Interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. We express no opinion as to other Massachusetts or local tax consequences arising with respect to the Bonds nor as to the taxability of the Bonds or the income therefrom under the laws of any state other than Massachusetts.

3. The Internal Revenue Code of 1986 (the “Code”) sets forth certain requirements which must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for Federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for Federal income tax purposes retroactive to the date of issue of the Bonds. The Commonwealth has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from gross income for Federal income tax purposes pursuant to Section 103 of the Code. In addition, the Commonwealth has made certain representations and certifications relating to the exclusion from gross income for federal income tax purposes of interest on the Bonds. We have not independently verified the accuracy of those certifications and representations.

Under existing law, assuming compliance with the tax covenants described herein and the accuracy of the aforementioned representations and certifications, interest on the Bonds is excluded from gross income for Federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations. Interest on the Bonds is, however, included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax imposed on such corporations.

Bond Counsel is further of the opinion that the difference between the principal amount of the Series B Bonds maturing 2022 with a 3.00% interest coupon, 2023 with a 3.25% interest coupon, 2024 with a 3.375% interest coupon and 2025 with a 3.50% interest coupon and the Series C Bonds (collectively the “Discount Bonds”) and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity was sold constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment.

Except as stated in the preceding four paragraphs, we express no opinion as to any other Federal, state or local tax consequences of the ownership or disposition of the Bonds. Furthermore, we express no opinion as to any Federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

The Honorable Steven Grossman
Treasurer and Receiver-General
The Commonwealth of Massachusetts
June 1, 2011
Page 3 of 3

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

Nixon Peabody LLP

NIXON PEABODY_{LLP}
ATTORNEYS AT LAW

100 Summer Street
Boston, Massachusetts 02110-2131
(617) 345-1000
Fax: (617) 345-1300

June 1, 2011

J.P. Morgan Securities LLC,
as Representative of the Underwriters
50 Rowes Wharf, 4th Floor
Boston, Massachusetts 02110

Re: The Commonwealth of Massachusetts General Obligation Bonds,
Consolidated Loan of 2011, Series B and General Obligation Bonds,
Consolidated Loan of 2011, Series C (BuildMassBonds)

Ladies and Gentlemen:

We are delivering to you herewith our opinion dated this day and addressed to the Treasurer and Receiver-General of The Commonwealth of Massachusetts approving the issue by the Commonwealth of its \$469,635,000 General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B and \$6,795,000 Series C (BuildMassBonds). You may rely on such opinion the same as if it were addressed to you.

Very truly yours,

Nixon Peabody LLP

NIXON PEABODY_{LLP}
ATTORNEYS AT LAW

100 Summer Street
Boston, Massachusetts 02110-2131
(617) 345-1000
Fax: (617) 345-1300

June 1, 2011

The Honorable Steven Grossman
Treasurer and Receiver-General State
House, Room 227
Boston, Massachusetts 02133

J.P. Morgan Securities LLC, as
Representative of the Underwriters
50 Rowes Wharf, 4th Floor
Boston, Massachusetts 02110

The Honorable Jay Gonzalez
Secretary of Administration and Finance
State House, Room 373
Boston, Massachusetts 02133

Ladies and Gentlemen:

We have acted as bond counsel with respect to the issuance by The Commonwealth of Massachusetts (the "Commonwealth") of its \$469,635,000 General Obligation Bonds, Consolidated Loan of 2011, consisting of \$462,840,000 Series B and \$6,795,000 Series C (BuildMassBonds) (collectively, the "Bonds"), which are being issued on the date hereof. In our capacity as bond counsel we have examined the law, a certified copy of proceedings and other papers relating to the authorization and issuance of the Bonds, including the Bond Purchase Agreement dated May 24, 2011, by and between the Commonwealth and J.P. Morgan Securities LLC, as representative of the underwriters named therein (the "Bond Purchase Agreement"), the Preliminary Official Statement dated May 13, 2011 (the "Preliminary Official Statement") and the Official Statement dated May 24, 2011 (the "Final Official Statement"). This opinion is being rendered pursuant to Section 6(e)(5) of the Bond Purchase Agreement, and terms not otherwise defined herein that are defined in the Bond Purchase Agreement are used herein as so defined.

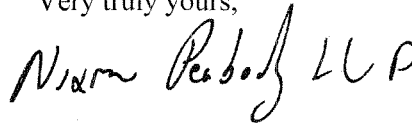
We have rendered legal advice and assistance to the Commonwealth in the course of and have participated in the preparation of the Preliminary Official Statement and the Official Statement and, based upon such participation, we are of opinion that the information contained in the Preliminary Official Statement, as of its date and as of the date of the Bond Purchase Agreement, and the Final Official Statement, as of its date and as of the date hereof, under the headings "THE BONDS," "SECURITY FOR THE BONDS" and in Appendix B, insofar as such information constitutes summaries of certain provisions of the Bonds and applicable Massachusetts law, presents, as of such dates, a fair summary of such provisions and that the statements in the Preliminary Official Statement, as of its date and as of the date of the Bond Purchase Agreement, and in the Final Official Statement, as of its date and as of the date hereof, under the caption "TAX EXEMPTION" and in the summary tax opinion contained on the cover of the Preliminary Official Statement and the Final Official Statement, insofar as such statements purport to summarize certain provisions of the Internal Revenue Code of 1986, as amended, or purport to summarize our opinion regarding the Bonds, are, as of such dates, correct in all material respects.

In addition, based upon our examination of the proceedings of the Commonwealth in connection with our opinion as to the validity of the Bonds and our participation in the preparation of the Preliminary Official Statement and the Final Official Statement, and although we are not passing upon and do not assume any

responsibility for the accuracy or completeness of the statements contained in the Preliminary Official Statement and the Final Official Statement except for the information referred to above, nothing has come to our attention that leads us to believe that the information contained in the Preliminary Official Statement as of its date and as of the date of the Bond Purchase Agreement, or in the Final Official Statement as of its date and as of the date hereof (except for the financial and statistical data included therein, the public offering prices (or yields) of the Bonds on the inside cover page thereof, the stabilization clause, the information contained therein under the headings "BOOK-ENTRY-ONLY SYSTEM," "RATINGS," "UNDERWRITING," and in any other document specifically referenced therein, including Appendices A and C to the Preliminary Official Statement and Appendices A and C to the Final Official Statement, and the information in the Information Statement and the exhibits to the Information Statement, as to all of which we express no opinion) contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

Based upon and subject to the foregoing, we are also of the opinion that: (i) the Bond Purchase Agreement has been duly authorized, executed and delivered by the Commonwealth and constitutes a legal, valid and binding agreement of the Commonwealth; and (ii) the Bonds are exempt securities within the meaning of Section 3(a)(2) of the Securities Act and Section 304(a)(4) of the Trust Indenture Act and it is not necessary in connection with the sale of the Bonds to the public to register any security under the Securities Act or to qualify any indenture under the Trust Indenture Act.

Very truly yours,

A handwritten signature in black ink, appearing to read "Nixon Peabody LLP", is written over the typed name.

June 1, 2011

Honorable Steven Grossman
Treasurer and Receiver-General
The Commonwealth of Massachusetts
State House, Room 227
Boston, MA 02133

J. P. Morgan Securities LLC,
as representative of the Underwriters
50 Rowes Wharf, 4th floor
Boston, Massachusetts 02110

Honorable Jay Gonzalez
Secretary of Administration and Finance
The Commonwealth of Massachusetts
State House, Room 373
Boston, MA 02133

We have acted as special disclosure counsel to The Commonwealth of Massachusetts (the "Commonwealth") with respect to the preparation of the Commonwealth's Information Statement dated March 15, 2011, as supplemented by the Commonwealth's Information Statement dated May 6, 2011 (the "Information Statement"). This opinion is rendered pursuant to paragraph 6(e)(6) of the Bond Purchase Agreement dated May 24, 2011 (the "Bond Purchase Agreement") relating to the Commonwealth's General Obligation Bonds, Consolidated Loan of 2011, Series B and Series C (BuildMassBonds) (the "Bonds"), and capitalized terms not otherwise defined herein are used herein as defined in said Bond Purchase Agreement.

In our capacity as special disclosure counsel, we have participated in the preparation of the Information Statement, including participation in conferences with representatives of the Commonwealth at which the contents of the Information Statement and related matters were discussed and reviewed, and we have examined originals or copies certified or otherwise identified to our satisfaction of the letters, certificates and opinions of even date herewith provided to the Commonwealth pursuant to the Bond Purchase Agreement, certain letters and certificates delivered to the Treasurer and Receiver-General and Secretary of Administration and Finance of the Commonwealth relating to the Information Statement and various other documents, records and instruments which we have deemed appropriate.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Information Statement and make no representation that we have independently verified the accuracy, completeness or fairness of such statements contained therein. We do advise you, however, that in the course of our examination and participation in the preparation of the Information Statement as described above, no facts have come to our attention that have led us to believe that the Information Statement, as of its date, as of the date of the Bond Purchase Agreement or as of the date hereof (except for the financial and statistical data included in the Information Statement,

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

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Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

Hon. Steven Grossman

Hon. Jay Gonzalez

J. P. Morgan Securities LLC

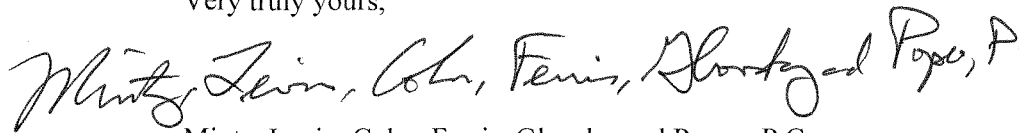
June 1, 2011

Page 2

the information contained in the exhibits to the Information Statement and references to such information in the Information Statement, as to all of which we express no opinion) contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

This letter is furnished by us as special disclosure counsel to the Commonwealth solely for the benefit of the parties addressed and is not to be used, circulated, quoted or otherwise referred to in connection with the offering of the Bonds, except that reference to this letter may be made in any list of closing documents pertaining to the Bonds.

Very truly yours,

A handwritten signature in cursive script that reads "Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C." The signature is written in dark ink and is positioned above the printed name of the firm.

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

June 1, 2011

J. P. Morgan Securities LLC,
as representative of the Underwriters
383 Madison Avenue
New York, NY 10179

Ladies and Gentlemen:

We have acted as your counsel in connection with your purchase from The Commonwealth of Massachusetts (the "Commonwealth") of its \$469,365,000 General Obligation Bonds, Consolidated Loan of 2011 consisting of \$462,840,000 Series B and \$6,795,000 Series C (BuildMassBonds) (the "Bonds"), pursuant to a Bond Purchase Agreement dated May 24, 2011 (the "Bond Purchase Agreement"), between you, as representative of the underwriters listed therein, and the Commonwealth. This letter is being delivered to you pursuant to paragraph 6(e)(7) of the Bond Purchase Agreement.

In connection with the foregoing, we have examined such documents and records pertaining to the Commonwealth and the Bonds as we have deemed appropriate, including the various opinions, certificates and other instruments delivered to you pursuant to the provisions of the Bond Purchase Agreement, the forms of the Bonds, the Preliminary Official Statement dated May 13, 2011 pertaining to the Bonds (the "Preliminary Official Statement") and the Official Statement dated May 24, 2011 pertaining to the Bonds (the "Official Statement").

Based upon on our review of the foregoing, we are of the opinion that the Bonds are exempt securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), and Section 304(a)(4) of the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). We are also of the opinion that in connection with the issuance and sale of the Bonds to the public it is not necessary to register any security under the Securities Act, or to qualify any indenture under the Trust Indenture Act.

In our capacity as your counsel, we have participated in the preparation of the Preliminary Official Statement and the Official Statement and have participated in conferences with, among others, representatives of the Commonwealth, its bond counsel, Nixon Peabody LLP, and your representatives. We have also examined such documents, records and instruments that we have determined necessary to render this letter. Based upon our participation in the preparation of the Preliminary

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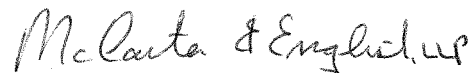
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Official Statement and the Official Statement, which participation and review were not intended to enable us to pass upon the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement or the Official Statement, and although we are not passing upon and do not assume any responsibility for the accuracy or completeness of the statements contained in the Preliminary Official Statement or the Official Statement we have no reason to believe that the Preliminary Official Statement, as of its date and as of the date of the Bond Purchase Agreement, and the Official Statement, as of its date and as of the date hereof (and except for the financial and statistical data included therein, the statements and information contained on the cover page and inside cover page thereof, including the sections comprising the summary tax opinion of Bond Counsel, the public offering prices or yields of the Bonds, and information under the headings "BOOK-ENTRY ONLY SYSTEM," "UNDERWRITING," "TAX EXEMPTION," and the information in the Information Statement and in the exhibits to the Information Statement and in the appendices to the Preliminary Official Statement or the Official Statement and any other information concerning the matters under such headings or in the appendices contained or incorporated by reference in the Preliminary Official Statement or the Official Statement, as to all of which no opinion is expressed), contained or contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This opinion is limited to the matters expressly set forth herein and no opinion is implied or may be inferred beyond the matters expressly stated herein. This opinion is made for the benefit of and can be relied on only by the addressee hereof. Copies of this opinion may not be delivered to and may not be relied upon by any other party without our express prior written consent. We disclaim any obligation to supplement this letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in the law that may hereafter occur.

Very truly yours,



MCCARTER & ENGLISH, LLP

THE COMMONWEALTH OF MASSACHUSETTS

\$490,000,000*
General Obligation Bonds
Consolidated Loan of 2011

\$485,000,000*
Series B

\$5,000,000*
Series C (Build Mass. Bonds)

PRELIMINARY BLUE SKY MEMORANDUM

May 13, 2011

J.P. Morgan Securities LLC
as representative of the Underwriters
New York, New York

Ladies and Gentlemen:

In connection with your proposed offering of The Commonwealth of Massachusetts General Obligation Bonds referenced in the caption above (the "Bonds"), we set forth below a summary of information concerning the extent to which and conditions upon which it is believed sales of the Bonds will be permissible under the Securities Act of 1933, as amended, and the Blue Sky or securities laws of the states of the United States considered in this Memorandum.

We have reviewed the Preliminary Official Statement dated May 13, 2011 as to information relating to the Bonds. This summary is based upon our examination of the applicable Blue Sky laws and the rules and regulations, where published, of the authorities administering such laws, all as reproduced in the latest unofficial compilations available to us. We have reviewed these laws in light of the National Securities Markets Improvement Act of 1996, which provides, in most situations, a federal preemption of state regulation of the offer and sale of "Municipal Securities." We have not obtained special rulings from the securities commissions, state authorities or other administrative bodies or officials charged with the administration of the respective securities or Blue Sky laws, nor have we obtained opinions of

* Preliminary, subject to change.

local counsel. We do not purport to be experts in the laws of any jurisdiction other than The Commonwealth of Massachusetts.

In all instances in which we have indicated that persons registered or licensed as dealers or brokers may sell the Bonds, we have assumed that such persons have complied with all dealer or broker requirements in connection with the sale thereof, and with all federal and state statutes, rules and regulations with respect to registration or licensing.

The statements made herein are of necessity subject to the exercise of broad discretionary powers given by statute to securities commissions and other qualified authorities authorizing such commissions or authorities to withdraw exemptions offered by statute or by administrative interpretations thereof, to refuse registration or to impose additional requirements or restrictions in respect to any offering of securities.

Any statements in this memorandum with respect to sales to banks, savings institutions, trust companies, insurance companies, or the like, refer only to Blue Sky requirements relating to such sales and do not purport to cover the question of whether the purchase of the Bonds would be a legal investment for such institutions. We do not purport to cover in this summary the requirements or restrictions of any jurisdiction with respect to the distribution of the Official Statement and the distribution, publication and use of advertising material.

OFFERS AND SALES BY REGISTERED DEALERS

In the following jurisdictions the Bonds may be offered and sold to the public by brokers or dealers registered in the particular jurisdiction without any registration or other filing under the securities laws of such jurisdiction.

Alabama	Kentucky	Ohio ⁽²⁾
Alaska	Louisiana	Oklahoma
Arizona	Maine	Oregon
Arkansas	Maryland	Pennsylvania
California	Massachusetts	Puerto Rico
Colorado	Michigan	Rhode Island
Connecticut	Minnesota	South Carolina
Delaware	Mississippi	South Dakota
District of Columbia	Missouri	Tennessee
Florida ⁽¹⁾	Montana	Texas
Georgia	Nebraska	Utah
Guam	Nevada	Vermont
Hawaii	New Hampshire	Virginia
Idaho	New Jersey	Virgin Islands
Illinois	New Mexico	Washington
Indiana	New York	West Virginia
Iowa	North Carolina	Wisconsin
Kansas	North Dakota	Wyoming

- (1) Provided that, for the sale of the Bonds in this state, other than general obligation bonds, if the issuer or guarantor is in default or has been in default any time after December 31, 1975 as to payment of principal or interest on any obligation of the issuer or a successor to the issuer or any guarantee by the guarantor or any successor to the guarantor of the Bonds, no person shall directly or indirectly offer or sell such Bonds except by an offering circular or other offering literature containing "full and fair disclosure," as prescribed by the Florida Department of Banking and Finance, of such default or a statement that the disclosure is not deemed appropriate and material.
- (2) Provided that at the time of first sale there is no default as to principal or interest with respect to an obligation issued by the issuer or a successor of the issuer and there is no litigation adversely affecting the validity of the Bonds.

OFFERS AND SALES BY PERSONS NOT REGISTERED OR LICENSED
AS BROKERS OR DEALERS

The Bonds may be offered and sold in the following jurisdictions without any registration or other filing and without the seller thereof being registered as a broker or dealer therein (except as otherwise noted), but only if sold to the institutions or persons indicated below and subject to such restrictions as may be provided herein.

- Alabama Provided the seller has no place of business in this state and offers or sells securities in this state exclusively to other broker-dealers, the seller may offer and sell the Bonds without registering as a broker-dealer in this state only to other broker-dealers. ***This state requires the seller to be registered as a broker-dealer in Alabama in order to sell the Bonds to any other entities in this state.***
- Alaska Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts or other financial institutions or institutional buyers, whether acting for themselves or as trustees.
- Arizona Provided the seller has no place of business in this state and offers or sells securities in this state exclusively to other broker-dealers, the seller may offer and sell the Bonds without registering as a broker-dealer in this state only to other broker-dealers. ***This state requires the seller to be registered as a broker-dealer in Arizona in order to sell the Bonds to any other entities in this state.***
- Arkansas Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, savings and loan associations, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts or other financial institutions or institutional buyers, whether acting for themselves or as trustees.
- California (1) Provided the seller has no place of business in this state, the seller may effect transaction in this state without registering as a broker-dealer in this state exclusively with other broker-dealers; or
(2) Provided the seller is a broker-dealer registered under the

Securities Exchange Act of 1934, who has not previously had any broker-dealer certificate denied or revoked under current or prior California law, and who has no place of business in this state, the seller may direct offers into this state without registering as a broker-dealer in this state exclusively to the following entities: broker-dealers, banks, savings and loan associations, trust companies, insurance companies, investment companies registered under the Investment Company Act of 1940, pension or profit-sharing trusts (other than self-employed individual retirement plans), or other institutional investors or governmental agencies or instrumentalities designated by rule of the Commissioner of Corporations, or to no more than 15 other customers (whether or not self-employed individual retirement plans) having an existing account with such broker-dealer prior to any offer made to them in this state, during any period of 12 consecutive months, whether or not the offeror or any of the offerees is then present in this state.

The term "institutional investor" means any of the following: (a) any organization described in Section 501 (c)(3) of the Internal Revenue Code which has total assets (including endowment, annuity and life income funds) of not less than \$5,000,000 according to its most recent audited financial statements; (b) any corporation which has a net worth on a consolidated basis according to its most recent audited financial statements of not less than \$14,000,000 (subject to certain restrictions as designated by rule); and (c) any wholly-owned subsidiary of any of the above-named institutional investors.

The term "governmental agency" means the federal government, any agency or instrumentality of the federal government, any corporation wholly-owned by the federal government, any state, any city, city and county, or county, or agency or instrumentality thereof or any state university or state college, and any retirement system for the benefit of employees of any of the foregoing.

Colorado..... Provided the seller is a broker-dealer registered under the Securities Exchange Act of 1934 and has no place of business in this state, the seller may offer and sell the Bonds without registering as a broker-dealer in this state exclusively to the following entities: (1) other broker-dealers licensed or exempt from licensing under the Colorado Securities Act, except when the broker-dealer is acting as a clearing broker-dealer for such other broker-dealers; (2) financial or institutional investors; (3) individuals who are existing customers of the broker-dealer and

whose principal places of residence are not in this state; and (4) during any 12 consecutive months, not more than 5 persons in this state, excluding persons described in (1) through (3).

The term "financial or institutional investor" means any of the following, whether acting for themselves or in a fiduciary capacity: (a) a depository institution; (b) an insurance company; (c) a separate account of an insurance company; (d) an investment company registered under the Investment Company Act of 1940; (e) a business development company as defined in the Investment Company Act of 1940; (f) any private business development company as defined in the Investment Advisers Act of 1940; (g) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of \$5,000,000 or its investment decisions are made by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, a depository institution, or an insurance company; (h) an entity, but not an individual, a substantial part of whose business activities consist of investing, purchasing, selling or trading in securities of more than one issuer and not of its own issue and that has total assets in excess of \$5,000,000 as of the end of its latest fiscal year; (i) a small business investment company licensed by the federal small business administration under the Small Business Investment Act of 1958; and (j) any other institutional buyer.

Connecticut Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, bank and trust companies, national banking associations, savings banks, savings and loan associations, federal savings and loan associations, credit unions, federal credit unions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or in some fiduciary capacity.

Delaware Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to a broker-dealer, bank, savings institution,

trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or as trustee.

District of Columbia(1) Provided the seller has no place of business in this state and effects transactions in this state (whether acting for itself or as trustee) exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to a depository institution, another broker-dealer, an insurance company, an investment company as defined in the Investment Company Act of 1940, a pension or profit-sharing trust, or other financial institution or institutional investor; and (2) Provided the seller is licensed under the securities law of a state in which the seller maintains a place of business, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to a person who is an existing customer of the person.

The term "financial or institutional investor" means any of the following, whether acting for itself or others in a fiduciary capacity: (A) a depository institution; (B) an insurance company; (C) a separate account of an insurance company; (D) an investment company registered under the Investment Company Act of 1940; (E) a business development company as defined in the Investment Company Act of 1940; (F) an employee pension, profit-sharing, or benefit plan, if the plan has total assets in excess of \$5,000,000 or its investment decisions are made by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is either a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, a depository institution, or an insurance company; (G) a "qualified institutional buyer" as defined in SEC Rule 144A; (H) a broker-dealer; (I) an accredited investor as defined in SEC Rule 501(a); or (J) a limited liability company with net assets of at least \$500,000.00.

Florida.....The seller may offer and sell the Bonds in this state without registering as a broker-dealer in this state to a bank, trust company, savings institution, insurance company, a broker-dealer, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or qualified institutional buyer as defined by rule of the Florida Department of Financial Services in accordance with Securities and Exchange Commission

Rule 144A (17 C.F.R. 230.144(A)(a)), whether any of such entities is acting in its individual or fiduciary capacity; provided that such offer or sale of securities is not for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of the Florida Securities and Investor Protection Act.

- Georgia.....The seller may offer and sell the Bonds in this state without registering as a broker-dealer in this state to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, as now or hereafter amended, real estate investment trust, small business investment corporation, pension or profit-sharing plan or trust, other financial institution, or a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity.
- Guam.....Provided the seller has no place of business in Guam and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity.
- Hawaii.....Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, or to a dealer, whether the purchaser is acting for itself or as trustee.
- IdahoProvided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to (1) a broker-dealer registered or not required to be registered as a broker-dealer under the Idaho Securities Act; (2) an institutional investor; (3) a nonaffiliated federal covered investment adviser with investments under management in excess of \$100,000,000 acting for the account of others pursuant to discretionary authority in a signed record; (4) a bona fide preexisting customer whose principal place of residence is not in

this state and the broker-dealer is registered (or not required to be registered) as a broker-dealer under the Securities Exchange Act of 1934 and is registered under the securities act of the state in which the customer maintains a principal place of residence; (5) not more than three customers in this state during the previous twelve months, in addition to those customers specified in (1)-(4) and (6), if the broker-dealer is registered (or not required to be registered) as a broker-dealer under the Securities Exchange Act of 1934 and is registered under the securities act of the state in which the broker-dealer has its principal place of business; and (6) any other person exempted by rule adopted or order issued under this act.

The term "institutional investor" means any of the following, whether acting for itself or for others in a fiduciary capacity: (a) a depository institution, a trust company organized or chartered under the laws of this state, or an international banking institution; (b) an insurance company; (c) a separate account of an insurance company; (d) an investment company as defined in the investment company act of 1940, as cited in section 30-14-103, Idaho Code; (e) a broker-dealer registered under the securities exchange act of 1934, as cited in section 30-14-103, Idaho Code; (f) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of ten million dollars (\$10,000,000) or its investment decisions are made by a named fiduciary, as defined in the employee retirement income security act of 1974, that is a broker-dealer registered under the securities exchange act of 1934, an investment adviser registered or exempt from registration under the investment advisers act of 1940, an investment adviser registered under this chapter, a depository institution, or an insurance company; (g) a plan established and maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or a political subdivision of a state for the benefit of its employees, if the plan has total assets in excess of ten million dollars (\$10,000,000) or its investment decisions are made by a duly designated public official or by a named fiduciary, as defined in the employee retirement income security act of 1974, that is a broker-dealer registered under the securities exchange act of 1934, an investment adviser registered or exempt from registration under the investment advisers act of 1940, an investment adviser registered under this chapter, a depository institution, or an insurance company; (h) a trust, if it has total assets in excess of ten million dollars (\$10,000,000), its trustee is a depository institution, and its participants are exclusively plans of the types identified in paragraph (f) or (g) of this subsection, regardless of the size of

their assets, except a trust that includes as participants self-directed individual retirement accounts or similar self-directed plans; (i) an organization described in section 501(c)(3) of the Internal Revenue Code (26 U.S.C. 501(c)(3)), a corporation, a Massachusetts trust or similar business trust, a limited liability company, or a partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of ten million dollars (\$10,000,000); (j) a small business investment company licensed by the small business administration under section 301(c) of the small business investment act of 1958 (15 U.S.C. 681(c)) with total assets in excess of ten million dollars (\$10,000,000); (k) a private business development company as defined in section 202(a)(22) of the investment advisers act of 1940 (15 U.S.C. 80b-2(a)(22)) with total assets in excess of ten million dollars (\$10,000,000); (l) a federal covered investment adviser acting for its own account; (m) a "qualified institutional buyer" as defined in rule 144A(a)(1), other than rule 144A(a)(1)(i)(H), adopted under the securities act of 1933 (17 CFR 230.144A); (n) a "major U.S. institutional investor" as defined in rule 15a-6(b)(4)(i) adopted under the securities exchange act of 1934 (17 CFR 240.15a-6); (o) any other person, other than an individual, of institutional character with total assets in excess of ten million dollars (\$10,000,000) not organized for the specific purpose of evading this chapter; or (p) any other person specified by a rule adopted or an order issued under the Idaho Securities Act.

The term "depository institution" means: (a) a bank; or (b) a savings institution, trust company, credit union, or similar institution that is organized or chartered under the laws of a state or of the United States, authorized to receive deposits, and supervised and examined by an official or agency of a state or the United States if its deposits or share accounts are insured to the maximum amount authorized by statute by the FDIC, the National Credit Union Share Insurance Fund, or a successor authorized by federal law. The term does not include: (i) an insurance company or other organization primarily engaged in the business of insurance; (ii) a Morris Plan bank; or (iii) an industrial loan company.

IllinoisThe seller may offer and sell the Bonds in this state without registering as a broker-dealer in this state to a corporation, bank, savings bank, savings institution, savings and loan association, trust company, insurance company, building and loan association, or dealer; with a pension fund, pension trust, employees' profit-sharing trust, other financial institution (including, but not limited

to, a manager of investment accounts on behalf of other than natural persons, who, with affiliates, exercises sole investment discretion with respect to such accounts, and provided such accounts exceed 10 in number and have a fair market value of not less than \$10,000,000 at the end of the calendar month preceding the month during which the transaction occurred for which the exemption is utilized) or institutional investor (including, but not limited to: (a) investment companies, universities and other organizations whose primary purpose is to invest its own assets or those held in trust by it for others; (b) trust-accounts and individual or group retirement accounts in which a bank, trust company, insurance company or savings and loan institution acts in a fiduciary capacity; and (c) foundations and endowment funds exempt from taxation under the Internal Revenue Code, a principal business function of which is to invest funds to produce income in order to carry out the purpose of the foundation or fund), any government or political subdivision or instrumentality thereof, whether the purchaser is acting for itself or in some fiduciary capacity; with any partnership or other association engaged as a substantial part of its business or operations in purchasing or holding securities; with any trust in respect of which a bank or trust company is trustee or co-trustee; with any entity in which at least ninety percent (90%) of the equity is owned by specified individual persons described in the applicable provisions of Illinois Securities Law of 1953, as amended (including, but not limited to (1) any natural person who has, or is reasonably believed by the person relying on this provision to have, a net worth or joint net worth with that person's spouse, at the time of the offer, sale, or issuance of the Bonds, in excess of \$1,000,000 excluding the value of a principal residence, or (2) any natural person who had, or is reasonably believed by the person relying on this provision to have had, an individual income or joint income with that person's spouse, in excess of \$200,000 in each of the two most recent years and who reasonably expects, or is reasonably expected to have, an income in excess of \$200,000 in the current year, or (3) any person that is not a natural person and in which at least 90% of the equity interest is owned by persons who meet either of the tests set forth in (1) or (2) of this provision; provided that the Bonds are not offered or sold by means of any general advertising or general solicitation in this state); to any employee benefit plan within the meaning of Title I of the Federal ERISA Act if (i) the investment decision is made by a plan fiduciary as defined in Section 3(21) of the ERISA Act and such plan fiduciary is either a bank, savings and loan association, insurance company, registered investment

adviser or an investment adviser registered under the Investment Advisers Act of 1940, or (ii) the plan has total assets in excess of \$5,000,000, or (iii) in the case of a self-directed plan, investment decisions are made solely by specified persons that are described in the applicable provisions of Illinois Securities Law of 1953, as amended (including, but not limited to (1) any natural person who has, or is reasonably believed by the person relying on this provision to have, a net worth or joint net worth with that person's spouse, at the time of the offer, sale, or issuance of the Bonds, in excess of \$1,000,000 excluding the value of a principal residence, or (2) any natural person who had, or is reasonably believed by the person relying on this provision to have had, an individual income or joint income with that person's spouse, in excess of \$200,000 in each of the two most recent years and who reasonably expects, or is reasonably expected to have, an income in excess of \$200,000 in the current year, or (3) any person that is not a natural person and in which at least 90% of the equity interest is owned by persons who meet either of the tests set forth in (1) or (2) of this provision; provided that the Bonds are not offered or sold by means of any general advertising or general solicitation in this state); with any plan established and maintained by, and for the benefit of the employees of, any state or political subdivision or agency or instrumentality thereof if such plan has total assets in excess of \$5,000,000; or with any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, any Massachusetts or similar business trust, or any partnership, if such organization, trust or partnership has total assets in excess of \$5,000,000.

Indiana..... Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to a broker-dealer, bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether acting for themselves or as trustees, whether or not the offeror or any of the offerees is then present in Indiana.

Iowa..... Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to (1) a broker-dealer registered or not required to be registered as a broker-dealer under the Iowa Securities Act;

(2) an institutional investor; (3) a nonaffiliated federal covered investment adviser with investments under management in excess of \$100,000,000 acting for the account of others pursuant to discretionary authority in a signed record; (4) a bona fide preexisting customer whose principal place of residence is not in this state and the broker-dealer is registered (or not required to be registered) as a broker-dealer under the Securities Exchange Act of 1934 and is registered under the securities act of the state in which the customer maintains a principal place of residence; (5) not more than three customers in this state during the previous twelve months, in addition to those customers specified in (1)-(4) and (6), if the broker-dealer is registered (or not required to be registered) as a broker-dealer under the Securities Exchange Act of 1934 and is registered under the securities act of the state in which the broker-dealer has its principal place of business; and (6) any other person exempted by rule adopted or order issued under this act.

The term "institutional investor" means any of the following, whether acting for itself or for others in a fiduciary capacity: (a) A depository institution, or an international banking institution; (b) An insurance company; (c) A separate account of an insurance company; (d) An investment company as defined in the investment company act of 1940; (e) A broker-dealer registered under the securities exchange act of 1934; (f) An employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of \$5,000,000 or its investment decisions are made by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the securities exchange act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the Iowa Securities Act, a depository institution, or an insurance company; (g) A plan established and maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or a political subdivision of a state for the benefit of its employees, if the plan has total assets in excess of \$5,000,000 or its investment decisions are made by a duly designated public official or by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the securities exchange act of 1934, an investment adviser registered or exempt from registration under the investment advisers act of 1940, an investment adviser registered under this chapter, a depository institution, or an insurance company; (h) A trust, if it has total assets in excess of \$5,000,000, its trustee is a depository

institution, and its participants are exclusively plans of the types identified in paragraph (f) or (g) of this subsection, regardless of the size of their assets, except a trust that includes as participants self-directed individual retirement accounts or similar self-directed plans; (i) An organization described in section 501(c)(3) of the Internal Revenue Code (26 U.S.C. 501(c)(3)), a corporation, a Massachusetts trust or similar business trust, a limited liability company, or a partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of five million dollars; (j) A small business investment company licensed by the small business administration under section 301(c) of the Small Business Investment Act of 1958 (15 U.S.C. 681(c)) with total assets in excess of \$5,000,000; (k) A private business development company as defined in section 202(a)(22) of the investment advisers act of 1940 (15 U.S.C. 80b-2(a)(22)) with total assets in excess of \$5,000,000; (l) A federal covered investment adviser acting for its own account; (m) A "qualified institutional buyer" as defined in rule 144A(a)(1), other than rule 144A(a)(1)(i)(H), adopted under the securities act of 1933 (17 CFR 230.144A); (n) A "major U.S. institutional investor" as defined in rule 15a-6(b)(4)(i) adopted under the securities exchange act of 1934 (17 CFR 240.15a-6); (o) Any other person, other than an individual, of institutional character with total assets in excess of \$5,000,000 not organized for the specific purpose of evading this chapter; or (p) Any other person specified by a rule adopted or an order issued under the Iowa Securities Act.

The term "depository institution" means: (a) a bank; or (b) a savings institution, trust company, credit union, or similar institution that is organized or chartered under the laws of a state or of the United States, authorized to receive deposits, and supervised and examined by an official or agency of a state or the United States if its deposits or share accounts are insured to the maximum amount authorized by statute by the FDIC, the National Credit Union Share Insurance Fund, or a successor authorized by federal law. The term does not include: (i) an insurance company or other organization primarily engaged in the business of insurance; (ii) a Morris Plan bank; or (iii) an industrial loan company.

Kansas..... Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to the following entities: (1) a broker-dealer registered or not required to be registered under the Kansas

Securities Act; (2) an institutional investor; (3) a nonaffiliated federal covered investment adviser with investments under management in excess of one hundred million dollars acting for the account of others pursuant to discretionary authority in a signed record; (4) a bona fide preexisting customer whose principal place of residence is not in this state and the broker-dealer is registered (or not required to be registered) as a broker-dealer under the Securities Exchange Act of 1934 and is registered under the securities act of the state in which the customer maintains a principal place of residence; (5) not more than three customers in this state during the previous twelve months, in addition to those customers specified in (1)-(4) and (6), if the broker-dealer is registered (or not required to be registered) as a broker-dealer under the Securities Exchange Act of 1934 and is registered under the securities act of the state in which the broker-dealer has its principal place of business; and (6) any other person exempted by rule adopted or order issued under this act.

The term "institutional investor" means any of the following, whether acting for itself or for others in a fiduciary capacity: (A) a depository institution or an international banking institution; (B) an insurance company; (C) a separate account of an insurance company; (D) an investment company as defined in the Investment Company Act of 1940; (E) a broker-dealer registered under the Securities Exchange Act of 1934; (F) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of \$10,000,000 or its investment decisions are made by a named fiduciary, as defined in ERISA, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment advisor registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the Kansas Securities Act, a depository institution, or an insurance company; (G) a plan established and maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or a political subdivision of a state for the benefit of its employees, if the plan has total assets in excess of \$10,000,000 or its investment decisions are made by a duly designated public official or by a named fiduciary, as defined in ERISA, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the Kansas Securities Act, a depository institution, or an insurance company; (H) a trust, if it has total assets in excess of \$10,000,000, its trustee is a depository institution, and its

participants are exclusively plans of the types identified in clauses (F) or (G) above, regardless of the size of their assets, except a trust that includes as participants self-directed individual retirement accounts or similar self directed plans; (I) an organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts trust or similar business trust, limited liability company, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$10,000,000; (J) a small business investment company licensed under the Small Business Investment Act of 1958 with total assets in excess of \$10,000,000; (K) a private business development company as defined in the Investment Advisers Act of 1940 with total assets in excess of \$10,000,000; (L) a federal covered investment adviser acting for its own account; (M) a “qualified institutional buyer” as defined in Rule 144A(a)(1), other than Rule 144A(a)(1)(i)(H), adopted under the Securities Act of 1933; (N) a “major U.S. institutional investor” as defined in Rule 15a-6(b)(4)(i) adopted under the Securities Exchange Act of 1934; (O) any other person, other than an individual, of institutional character with total assets in excess of \$10,000,000 not organized for the specific purpose of evading the Kansas Securities Act; or (P) any other person specified by rule adopted or order issued under the Kansas Securities Act.

The term “depository institution” includes: (1) a bank; or (2) a savings institution, trust company, credit union, or similar institution that is organized or chartered under the laws of a state or of the United States, authorized to receive deposits, and supervised and examined by an official or agency of a state or the United States if its deposits or share accounts are insured to the maximum amount authorized by statute by the FDIC, the National Credit Union Share Insurance Fund, or a successor authorized by federal law. The term does not include: (i) an insurance company or other organization primarily engaged in the business of insurance, (ii) a Morris Plan bank, or (iii) an industrial loan company.

Kentucky Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees.

Louisiana.....The seller may offer and sell the Bonds without registering as a broker-dealer in this state to any bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, real estate investment trust, small business investment corporation, pension or profit-sharing plan or trust, other financial institution, or a dealer, whether the purchaser is acting for itself or in some fiduciary capacity.

Maine(1) Provided the seller is a registered as a broker-dealer under the Securities Exchange Act of 1934 and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to other broker-dealers licensed or exempt from licensing under the Maine Securities Act, except when the broker-dealer is acting as a clearing broker-dealer for such other broker-dealers, and financial and institutional investors acting for themselves or in a fiduciary capacity; and (2) Provided the seller is a registered as a broker-dealer under the Securities Exchange Act of 1934 and licensed under the securities act of the state in which the broker-dealer maintains its principal place of business and has no place of business in Maine, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to persons who are existing customers of the broker-dealer and who represent that they have no principal place of residence in this state.

The term "financial and institutional investor" means, but is not limited to (1) a depository institution or a depository institution holding company; (2) an insurance company; (3) a separate account of an insurance company; (4) an investment company as defined by the United States Investment Company Act of 1940; (5) a business development company as defined by the United States Investment Company Act of 1940; (6) an entity, other than a natural person, a substantial part of whose business activities consists of investing, purchasing, selling or trading in securities of more than one issuer and not of its own issue and that has gross assets in excess of \$1,000,000 at the end of its latest fiscal year; (7) an employee pension and profit sharing or benefit plan, other than an employee pension and profit sharing or benefit plan of the issuer, a self-employed individual retirement plan or individual retirement account, if: (a) the investment decision is made by a plan fiduciary, as defined in the United States Employee Retirement Income Security Act of 1974, Section 3, subsection 21, which is either a depository institution, an insurance company or an investment adviser registered under this Act; or (b) the plan has

total assets in excess of \$5,000,000; (8) a small business investment company licensed by the United States Small Business Administration under the United States Small Business Investment Act of 1958, Section 301(c) or (d); or (9) an entity organized and operated not for private profit, as described in the United States Internal Revenue Code, Section 501(c)(3) with total assets in excess of \$5,000,000, whether any of these entities are acting for themselves or others in a fiduciary capacity.

The term “depository institution” means a person, other than an insurance company or other organization primarily engaged in the business of insurance, which is: (1) organized, chartered, or holding an authorization certificate under the laws of any state or of the United States which authorizes the person to receive deposits, including a savings, share, certificate or deposit account; and (2) supervised an examined for the protection of depositors by any official or agency of any state or the United States. The term “depository institution” also includes a trust company or other institution which is authorized by state law to exercise fiduciary powers similar to those permitted to national banks under the authority of the United States Comptroller of the Currency, but does not include any industrial bank, Morris Plan Bank or industrial loan bank.

Maryland.....Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to a broker-dealer, bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether acting for itself or as a trustee.

MassachusettsProvided the seller has no place of business or other physical presence in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to a broker-dealer, bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or as trustee.

The definition of “institutional buyer” includes, but is not limited to:, the following (1) a Small Business Investment Company licensed under the Small Business Investment Act of 1958, as amended; (2) a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended; (3) a Business Development Company as defined in Section 2(a)(48) of the Investment Company Act of 1940, as amended; (4) an entity with total assets in excess of \$5,000,000 and which is either (a) a company (whether a corporation, a Massachusetts or similar business trust, partnership, limited liability company or limited liability partnership) not formed for the specific purpose of acquiring the securities offered, a substantial part of whose business activities consists of investing, purchasing, selling or trading in securities issued by others and whose investment decisions made by persons who are reasonably believed by the seller to have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investment; or (b) an organization described in Section 501(c)(3) of the Internal Revenue Code; and (5) a Qualified Institutional Buyer as defined in 17 CFR 230.144A(a).

The definition of “pension or profit-sharing trust” includes (1) any entity with total assets in excess of \$5,000,000 and which is: (a) an employee benefit plan within the meaning of the ERISA, as amended; or (b) a self-directed employee benefit plan within the meaning of ERISA, with investment decisions made by a person that is an accredited investor as defined in Section 501(a) of SEC Regulation D (17 C.F.R. 230.501(a)); (2) any employee benefit plan within the meaning of ERISA with investment decisions made by a plan fiduciary, as defined in Section 2(21) of ERISA, which is either a bank, savings and loan association, insurance company or registered investment adviser; or (3) an employee benefit plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions.

Michigan Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees.

- Minnesota.....Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to a broker-dealer, bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer (including, but not limited to (1) a corporation with a class of equity securities registered under Section 12(b) or 12(g) of the Securities Exchange Act of 1934, as amended, and (2) a person who is an "accredited investor" within the meaning of rule 501(a) of Regulation D adopted by the Securities and Exchange Commission), whether the purchaser is acting for itself or in some fiduciary capacity.
- MississippiProvided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees.
- MissouriProvided the seller is a broker-dealer who has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to the following entities: (1) a broker-dealer properly registered or not required to be registered under the Missouri Securities Act; (2) an institutional investor; (3) a nonaffiliated federal covered investment adviser with investments under management in excess of one hundred million dollars acting for the account of others pursuant to discretionary authority in a signed record; (4) a bona fide preexisting customer whose principal place of residence is not in this state and the broker-dealer is registered (or not required to be registered) as a broker-dealer under the Securities Exchange Act of 1934 and is registered under the securities act of the state in which the customer maintains a principal place of residence; (5) not more than three customers in this state during the previous twelve months, in addition to those customers specified in (1)-(4) and (6), if the broker-dealer is registered (or not required to be registered) as a broker-dealer under the Securities Exchange Act of 1934 and is registered under the securities act of the state in which the

broker-dealer has its principal place of business; and (6) any other person exempted by rule adopted or order issued under this act.

The term "institutional investor" means any of the following, whether acting for itself or for others in a fiduciary capacity: (A) a depository institution, trust company organized or chartered under the laws of the state of Missouri, or an international banking institution; (B) an insurance company; (C) a separate account of an insurance company; (D) an investment company as defined in the Investment Company Act of 1940; (E) a broker-dealer registered under the Securities Exchange Act of 1934; (F) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of \$10,000,000 or its investment decisions are made by a named fiduciary, as defined in ERISA, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment advisor registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the Missouri Securities Act, a depository institution, or an insurance company; (G) a plan established and maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or a political subdivision of a state for the benefit of its employees, if the plan has total assets in excess of \$10,000,000 or its investment decisions are made by a duly designated public official or by a named fiduciary, as defined in ERISA, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the Missouri Securities Act, a depository institution, or an insurance company; (H) a trust, if it has total assets in excess of \$10,000,000, its trustee is a depository institution, and its participants are exclusively plans of the types identified in clauses (F) or (G) above, regardless of the size of their assets, except a trust that includes as participants self-directed individual retirement accounts or similar self directed plans; (I) an organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts trust or similar business trust, limited liability company, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$10,000,000; (J) a small business investment company licensed under the Small Business Investment Act of 1958 with total assets in excess of \$10,000,000; (K) a private business development company as defined in the Investment Advisers Act of 1940 with total assets in excess of \$10,000,000; (L) a federal covered investment adviser acting for

its own account; (M) a “qualified institutional buyer” as defined in Rule 144A(a)(1), other than Rule 144A(a)(1)(H), adopted under the Securities Act of 1933; (N) a “major U.S. institutional investor” as defined in Rule 15a-6(b)(4)(i) adopted under the Securities Exchange Act of 1934; (O) any other person, other than an individual, of institutional character with total assets in excess of \$10,000,000 not organized for the specific purpose of evading the Missouri Securities Act; or (P) any other person specified by rule adopted or order issued under the Missouri Securities Act.

The term “depository institution” includes: (1) a bank; or (2) a savings institution, trust company, credit union, or similar institution that is organized or chartered under the laws of a state or of the United States, authorized to receive deposits, and supervised and examined by an official or agency of a state or the United States if its deposits or share accounts are insured to the maximum amount authorized by statute by the FDIC, the National Credit Union Share Insurance Fund, or a successor authorized by federal law. The term does not include: (i) an insurance company or other organization primarily engaged in the business of insurance, (ii) a Morris Plan bank, or (iii) an industrial loan company.

Montana Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees.

Nebraska Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, or to a broker-dealer, whether acting for themselves or as trustees.

Nevada Provided the broker-dealer is registered or is not required to be registered under the Securities Exchange Act of 1934 and has no place of business in this state: (1) the broker-dealer may offer and sell the Bonds without registering as a broker-dealer in this state to

other broker-dealers licensed or exempt under the Nevada Securities Act, and financial or institutional investors; (2) if the broker-dealer is licensed under the securities laws of a state in which he maintains a place of business, the broker-dealer may offer and sell the Bonds without registering as a broker-dealer in Nevada to a person who is an existing customer of the broker-dealer and whose principal place of residence is not in this state; or (3) the broker-dealer may offer and sell the Bonds without registering as a broker-dealer in Nevada, if the broker-dealer is licensed under the securities laws of a state in which he maintains a place of business, and during any 12 consecutive months he does not effect transactions with more than 5 persons in Nevada in addition to the transactions with the issuers of the securities involved in the transactions, financial or institutional investors, or broker-dealers, whether or not the offeror or an offeree is then present in this state.

The term "financial or institutional investor" means any of the following, whether acting for itself or others in a fiduciary capacity other than as an agent: (1) a depository institution; (2) an insurance company; (3) a separate account of an insurance company; (4) an investment company as defined in the Investment Company Act of 1940; (5) an employee pension, profit-sharing or benefit plan if the plan has total assets in excess of \$5,000,000 or its investment decisions are made by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is either a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, a depository institution or an insurance company; and (6) any other institutional buyer.

The term "depository institution" means (a) a person that is organized, chartered or holding an authorization certificate under the laws of a state or of the United States which authorizes the person to receive deposits, including a savings, share, certificate or deposit account, and that is supervised and examined for the protection of depositors by an official or agency of a state or the United States; (b) a trust company or other institution that is authorized by federal or state law to exercise fiduciary powers of the type a national bank is permitted to exercise under the authority of the comptroller of the currency and is supervised and examined by an official or agency of a state or the United States. The term does not include an insurance company or other organization

primarily engaged in the insurance business or a Morris Plan bank, industrial loan company, or a similar bank or company unless its deposits are insured by a federal agency.

New Hampshire Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity.

New Jersey Provided the seller effects transactions in this state exclusively in securities issued or guaranteed by the United States, any state, any political subdivision of a state, or any agency or corporate or other instrumentality of one or more of the foregoing; or in any certificates of deposit for any of the foregoing, the seller is excluded from the definition of "broker-dealer" and may sell the Bonds without registering as a broker-dealer in this state.

Alternatively, provided the seller has no place of business in this state and effects transactions exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to a broker-dealer, bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for itself or as trustee.

The term "savings institution" means any savings and loan association or building and loan association operating pursuant to New Jersey's "Savings and Loan Act (1963)" and any federal savings and loan association and any association or credit union organized under the laws of the United States or any state whose accounts are insured by a federal corporation or agency.

The term "institutional buyer" includes, but is not limited to, a "qualified institutional buyer" as defined in SEC Rule 144A, 17 C.F.R. Section 230.144A.

New Mexico Provided the broker-dealer is registered under the Securities Exchange Act of 1934 and has no place of business in this state:

(1) the broker-dealer may offer and sell the Bonds without registering as a broker-dealer in this state to other broker-dealers licensed or exempt under the New Mexico Securities Act, and financial or institutional investors; or (2) if the broker-dealer is licensed under the securities laws of a state in which the broker-dealer maintains a place of business, the broker-dealer may offer and sell the Bonds without registering as a broker-dealer in new Mexico to persons who are existing customers of the broker-dealer and whose principal place of residence is not in this state.

The term "financial or institutional investor" means any of the following, whether acting for itself or others in a fiduciary capacity, other than as an agent: (1) a depository institution; (2) an insurance company; (3) a separate account of an insurance company; (4) an investment company as defined in the Investment Company Act of 1940; (5) an employee pension, profit-sharing or benefit plan if: (a) the plan has total assets in excess of \$5,000,000; or (b) investment decisions are made by a plan fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is either a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, a depository institution or an insurance company; (6) a business development company as defined by the Investment Company Act of 1940; (7) small business investment company licensed by the United States small business administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; or (8) any other financial or institutional investor as the director of the securities division by rule or order designates.

The term "depository institution" means (1) a person that is organized, chartered or holding an authorization certificate under the laws of a state or of the United States that authorizes the person to receive deposits, including a savings, share, certificate or deposit account, and that is regulated, supervised and examined for the protection of depositors by an official or agency of a state or the United States and is insured by the FDIC, the federal savings and loan insurance corporation or the national credit union share insurance fund; and (2) a trust company or other institution that is authorized by federal or state law to exercise fiduciary powers of the type a national bank is permitted to exercise under the authority of the comptroller of the currency and is regulated, supervised and examined by an official or agency of a state or the United States. The term does not include an insurance company or other

organization primarily engaged in the insurance business or a Morris Plan bank, industrial loan company, or a similar bank or company.

New York.....The seller may engage in the business of effecting transactions in the Bonds in this state without registering as a broker-dealer in this state with or through any state or national bank, dealer or broker, or to or from any syndicate, corporation or group formed for the specific purpose of acquiring the Bonds for resale to the public directly or through other syndicates or groups. The seller may also offer or sell the Bonds in this state without registering as a broker-dealer in this state to any corporation, savings institution, trust company, insurance company, investment company, as defined in the federal investment company act of nineteen hundred forty, pension or profit-sharing trust, or other financial institution or institutional buyer, whether the purchaser is acting for himself or itself or in some fiduciary capacity, as part of a private placement of securities.

North CarolinaProvided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees.

North Dakota.....Provided the seller is a broker-dealer that has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to the following entities: (1) a broker-dealer registered or not required to be registered under the North Dakota Securities Act; and (2) an institutional investor.

The term "institutional investor" means any of the following, whether acting for itself or for others in a fiduciary capacity: (a) a depository institution or an international banking institution; (b) an insurance company; (c) a separate account of an insurance company; (d) an investment company as defined in the Investment Company Act of 1940; (e) a broker-dealer registered under the Securities Exchange Act of 1934; (f) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of

\$10,000,000 or its investment decisions are made by a named fiduciary, as defined in ERISA, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment advisor registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the North Dakota Securities Act, a depository institution, or an insurance company; (g) a plan established and maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or a political subdivision of a state for the benefit of its employees, if the plan has total assets in excess of \$10,000,000 or its investment decisions are made by a duly designated public official or by a named fiduciary, as defined in ERISA, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the North Dakota Securities Act, a depository institution, or an insurance company; (h) a trust, if it has total assets in excess of \$10,000,000, its trustee is a depository institution, and its participants are exclusively plans of the types identified in clauses (f) or (g) above, regardless of the size of their assets, except a trust that includes as participants self-directed individual retirement accounts or similar self directed plans; (i) an organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts trust or similar business trust, limited liability company, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$10,000,000; (j) a small business investment company licensed under the Small Business Investment Act of 1958 with total assets in excess of \$10,000,000; (k) a private business development company as defined in the Investment Advisers Act of 1940 with total assets in excess of \$10,000,000; (l) a federal covered investment adviser acting for its own account; (m) a "qualified institutional buyer" as defined in Rule 144A(a)(1), other than Rule 144A(a)(1)(i)(H), adopted under the Securities Act of 1933; (n) a "major U.S. institutional investor" as defined in Rule 15a-6(b)(4)(i) adopted under the Securities Exchange Act of 1934; or (o) any other person, other than an individual, of institutional character with total assets in excess of \$10,000,000 not organized for the specific purpose of evading the North Dakota Securities Act.

The term "depository institution" includes: (1) a bank; or (2) a savings institution, trust company, credit union, or similar institution that is organized or chartered under the laws of a state or

of the United States, authorized to receive deposits, and supervised and examined by an official or agency of a state or the United States if its deposits or share accounts are insured to the maximum amount authorized by statute by the FDIC, the National Credit Union Share Insurance Fund, or a successor authorized by federal law. The term does not include: (i) an insurance company or other organization primarily engaged in the business of insurance, (ii) a Morris Plan bank, or (iii) an industrial loan company.

Ohio.....The seller may effect transactions without registering as a broker-dealer in this state exclusively with broker-dealers. ***This state requires the seller to be registered as a broker-dealer in Ohio in order to sell the Bonds to any other entities in this state.***

Oklahoma.....Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to (1) a broker-dealer registered or not required to be registered as a broker-dealer under the Oklahoma Securities Act; (2) an institutional investor; (3) a nonaffiliated federal covered investment adviser with investments under management in excess of \$100,000,000 acting for the account of others pursuant to discretionary authority in a signed record; and (4) any other person exempted by rule adopted or order issued under this act.

The term "institutional investor" means any of the following, whether acting for itself or for others in a fiduciary capacity: (a) a depository institution or an international banking institution; (b) an insurance company; (c) a separate account of an insurance company; (d) an investment company as defined in the investment company act of 1940; (e) a broker-dealer registered under the securities exchange act of 1934; (f) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of ten million dollars (\$10,000,000) or its investment decisions are made by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under this chapter, a depository institution, or an insurance company; (g) a plan established and maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or a political subdivision of a state for the benefit of its employees, if the plan has total assets in excess of ten million dollars (\$10,000,000) or its

investment decisions are made by a duly designated public official or by a named fiduciary, as defined in the Employee Retirement Income Security Act of 1974, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the Oklahoma Securities Act, a depository institution, or an insurance company; (h) a trust, if it has total assets in excess of ten million dollars (\$10,000,000), its trustee is a depository institution, and its participants are exclusively plans of the types identified in paragraph (f) or (g) of this subsection, regardless of the size of their assets, except a trust that includes as participants self-directed individual retirement accounts or similar self-directed plans; (i) an organization described in section 501(c)(3) of the Internal Revenue Code (26 U.S.C. 501(c)(3)), a corporation, a Massachusetts trust or similar business trust, a limited liability company, or a partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of ten million dollars (\$10,000,000); (j) a small business investment company licensed by the Small Business Administration under section 301(c) of the Small Business Investment Act of 1958 (15 U.S.C. 681(c)) with total assets in excess of ten million dollars (\$10,000,000); (k) a private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(22)) with total assets in excess of ten million dollars (\$10,000,000); (l) a federal covered investment adviser acting for its own account; (m) a "qualified institutional buyer" as defined in rule 144A(a)(1), other than rule 144A(a)(1)(i)(H), adopted under the securities act of 1933 (17 CFR 230.144A); (n) a "major U.S. institutional investor" as defined in rule 15a-6(b)(4)(i) adopted under the securities exchange act of 1934 (17 CFR 240.15a-6); (o) any other person, other than an individual, of institutional character with total assets in excess of ten million dollars (\$10,000,000) not organized for the specific purpose of evading this chapter; or (p) any other person specified by a rule adopted or an order issued under the Oklahoma Securities Act.

The term "depository institution" means: (a) a bank; or (b) a savings institution, trust company, credit union, or similar institution that is organized or chartered under the laws of a state or of the United States, authorized to receive deposits, and supervised and examined by an official or agency of a state or the United States if its deposits or share accounts are insured to the maximum amount authorized by statute by the FDIC, the National Credit

Union Share Insurance Fund, or a successor authorized by federal law. The term does not include: (i) an insurance company or other organization primarily engaged in the business of insurance; (ii) a Morris Plan bank; or (iii) an industrial loan company.

Oregon..... Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to any bank, savings institution, trust company, insurance company, investment company, pension or profit-sharing trust, or other financial institution or institutional buyer (including, but not limited to, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the United States Department of Veterans' Affairs and the Government National Mortgage Association), or a broker-dealer, mortgage broker or mortgage banker, whether the purchaser is acting for itself or in a fiduciary capacity when the purchaser has discretionary authority to make investment decisions.

Pennsylvania Provided the seller has no place of business in this state, the seller may effect transactions without registering as a broker-dealer in this state exclusively with the following: broker-dealers or institutional investors.

The term "institutional investor" includes:

(1) a bank, insurance company, pension or profit-sharing plan or trust (except a municipal pension plan or system), investment company as defined in the Investment Company Act of 1940, or any person, other than an individual, which controls any of the foregoing, the federal government, state or any agency or political subdivision thereof, except public school districts in Pennsylvania, or any other person so designated by regulation of the Pennsylvania Securities Commission;

(2) a corporation, business trust or a wholly-owned subsidiary of the person which has been in existence for 18 months and which has a tangible net worth on a consolidated basis, as reflected in its most recent audited financial statements, of \$10,000,000 or more;

(3) a college, university or other public or private institution which has received exempt status under section 501(c)(3) of the Internal Revenue Code and which has a total endowment or trust funds, including annuity and life income funds, of \$5,000,000 or more according to its most recent audited financial statements;

provided that the aggregate dollar amount of securities being sold to the person under this exemption may not exceed 5% of its endowment or trust funds;

(4) a wholly-owned subsidiary of a bank;

(5) a person, except an individual or an entity whose security holders consist entirely of one individual or group of individuals who are related, which is organized primarily for the purpose of purchasing, in non-public offerings, securities of corporations or issuers engaged in research and development activities in conjunction with a corporation and which complies with one of the following: (i) has purchased \$5,000,000 or more of the securities excluding both of the following: (A) a purchase of securities of a corporation in which the person directly or beneficially owns more than 50% of the corporation's voting securities, but securities purchased under a leveraged buy-out financing in which the person does not intend to provide direct management to the issuer, is not excluded, (B) a dollar amount of a purchase of securities of a corporation which investment represents more than 20% of the person's net worth; (ii) is capitalized at \$2,500,000 or more and is controlled by an individual controlling a person which meets the criteria contained in (i); (iii) is capitalized at \$10,000,000 or more and has purchased \$500,000 or more of the securities, excluding a purchase of securities of a corporation in which the person directly or beneficially owns more than 50% of the corporation's voting securities; (iv) is capitalized at \$250,000 or more and is a side-by-side fund, as defined in the applicable provisions of the Pennsylvania Blue Sky Laws and Regulations;

(6) a Small Business Investment Company as defined in section 103 of the Small Business Investment Act of 1958, which either: (i) has a total capital of \$1,000,000 or more; or (ii) is controlled by institutional investors;

(7) a Seed Capital Fund, as defined in section 2 and authorized in section 6 of the Pennsylvania Small Business Incubators Act;

(8) a Business Development Credit Corporation, as authorized by the Pennsylvania Business Development Credit Corporation Law;

(9) a person whose security holders consist solely of institutional investors or broker-dealers;

(10) a person as to which the issuer reasonably believed qualified as an institutional investor under this provision at the time of the offer or sale of the securities on the basis of written representations made to the issuer by the purchaser; and

(11) a qualified institutional buyer as defined in Rule 144A of the Securities Exchange Act of 1934.

The term "bank" means a bank, savings bank, savings institution, savings and loan association, thrift institution, trust company or similar organization which; is organized or chartered under the laws of a state or of the United States, is authorized to and receives deposits and is supervised and examined by an official or agency of a state or by the United States if its deposits are insured by the FDIC or a successor authorized by federal law.

Puerto Rico.....Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Companies Act of Puerto Rico, pension trusts or those participating in the benefits, or other financial institutions or institutional buyers that act in their own name or as trustees.

Rhode IslandA broker-dealer who is either registered or (except as otherwise provided below) is not required to be registered under the Securities Exchange Act of 1934 and who has no place of business in this state and who effects transactions in this state exclusively with the following entities may offer and sell the Bonds without registering as a broker-dealer in this state to the following entities: other broker-dealers licensed or exempt under the Rhode Island Securities Act, and financial or institutional investors.

In addition, a broker-dealer who is either registered or (except as otherwise provided below) is not required to be registered under the Securities Exchange Act of 1934 and who has no place of business in this state and is licensed under the securities act of a state in which the broker-dealer maintains a place of business may offer and sell the Bonds without registering as a broker-dealer in this state to a person who is an existing customer of the broker-dealer and whose principal place of residence is not in this state.

The two exemptions from broker-dealer registration provided above are not available to a broker-dealer who deals solely in governmental securities and is not registered under the Securities Exchange Act of 1934, unless the broker-dealer is subject to supervision as a dealer in government securities by the federal reserve board.

The term "financial or institutional investors" means any of the following, whether acting for itself or another in a fiduciary capacity: (1) a depository institution; (2) an insurance company; (3) a separate account of an insurance company; (4) an investment company as defined in the Investment Company Act of 1940; (5) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of \$5,000,000 or if investment decisions are made by a named fiduciary, as defined in ERISA, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment advisor registered or exempt from registration under the Investment Advisers Act of 1940, a depository institution, or an insurance company; and (6) any other institutional buyer.

South Carolina Provided the seller is a broker-dealer who is either registered or (except as otherwise provided) is not required to be registered under the Securities Exchange Act of 1934 and who has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to other broker-dealers licensed or exempt under South Carolina law, and financial and institutional investors. This exemption is not available to a broker-dealer who deals solely in government securities and is not registered under the Securities Exchange Act of 1934 unless the broker-dealer is subject to supervision as a dealer in government securities by the Federal Reserve Board.

South Dakota Provided the seller is a broker-dealer who has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to the following entities: (1) a broker-dealer properly registered or not required to be registered under the South Dakota Securities Act; (2) an institutional investor; (3) a nonaffiliated federal covered investment adviser with investments under management in excess of one hundred million dollars acting for the account of others pursuant to discretionary authority in a signed record; (4) a bona fide preexisting customer whose principal place of residence is not

in this state and the broker-dealer is registered (or not required to be registered) as a broker-dealer under the Securities Exchange Act of 1934 and is registered under the securities act of the state in which the customer maintains a principal place of residence; (5) not more than three customers in this state during the previous twelve months, in addition to those customers specified in (1)-(4) and (6), if the broker-dealer is registered (or not required to be registered) as a broker-dealer under the Securities Exchange Act of 1934 and is registered under the securities act of the state in which the broker-dealer has its principal place of business; and (6) any other person exempted by rule adopted or order issued under the South Dakota Securities Act.

The term "institutional investor" means any of the following, whether acting for itself or for others in a fiduciary capacity: (A) a depository institution or an international banking institution; (B) an insurance company; (C) a separate account of an insurance company; (D) an investment company as defined in the Investment Company Act of 1940; (E) a broker-dealer registered under the Securities Exchange Act of 1934; (F) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of \$10,000,000 or its investment decisions are made by a named fiduciary, as defined in ERISA, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment advisor registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the South Dakota Securities Act, a depository institution, or an insurance company; (G) a plan established and maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or a political subdivision of a state for the benefit of its employees, if the plan has total assets in excess of \$10,000,000 or its investment decisions are made by a duly designated public official or by a named fiduciary, as defined in ERISA, that is a broker-dealer registered under the Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the Investment Advisers Act of 1940, an investment adviser registered under the South Dakota Securities Act, a depository institution, or an insurance company; (H) a trust, if it has total assets in excess of \$10,000,000, its trustee is a depository institution, and its participants are exclusively plans of the types identified in clauses (F) or (G) above, regardless of the size of their assets, except a trust that includes as participants self-directed individual retirement accounts or similar self directed plans; (I) an organization described in Section 501(c)(3) of the

Internal Revenue Code, corporation, Massachusetts trust or similar business trust, limited liability company, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$10,000,000; (J) a small business investment company licensed under the Small Business Investment Act of 1958 with total assets in excess of \$10,000,000; (K) a private business development company as defined in the Investment Advisers Act of 1940 with total assets in excess of \$10,000,000; (L) a federal covered investment adviser acting for its own account; (M) a “qualified institutional buyer” as defined in Rule 144A(a)(1), other than Rule 144A(a)(1)(H), adopted under the Securities Act of 1933; (N) a “major U.S. institutional investor” as defined in Rule 15a-6(b)(4)(i) adopted under the Securities Exchange Act of 1934; (O) any other person, other than an individual, of institutional character with total assets in excess of \$10,000,000 not organized for the specific purpose of evading the South Dakota Securities Act; or (P) any other person specified by rule adopted or order issued under the South Dakota Securities Act.

The term “depository institution” includes: (1) a bank; or (2) a savings institution, trust company, credit union, or similar institution that is organized or chartered under the laws of a state or of the United States, authorized to receive deposits, and supervised and examined by an official or agency of a state or the United States if its deposits or share accounts are insured to the maximum amount authorized by statute by the FDIC, the National Credit Union Share Insurance Fund, or a successor authorized by federal law. The term does not include: (i) an insurance company or other organization primarily engaged in the business of insurance, (ii) a Morris Plan bank, or (iii) an industrial loan company.

Tennessee..... Provided the seller has no place of business in this state and is registered with the SEC or the NASD and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers and institutional investors.

The term “institutional investor” means any bank (unless the bank is acting as a broker-dealer), trust company, insurance company, investment company registered under the Investment Company Act of 1940, as amended, a holding company which controls any of the foregoing, a trust or fund over which any of the foregoing has or shares investment discretion, a pension or profit sharing

plan, an institutional buyer (as the commissioner may further define by rule), or any other person engaged as a substantial part of its business in investing in securities unless such other person is within the definition of a broker-dealer found in the Tennessee Securities Act of 1980 (in which case such other person is not an institutional investor); provided that, any such purchaser have a net worth in excess of \$1,000,000.

Texas.....The seller may sell the Bonds without registering as a broker-dealer in this state to the entities listed herein, provided these financial institutions and other institutional investors are acting for their own account or as a bona fide trustee of a trust organized and existing other than for the purpose of acquiring the Bonds: (1) a bank, trust company, building and loan association, insurance company, surety or guaranty company, savings institution, investment company as defined in the Investment Company Act of 1940, small business investment company as defined in the Small Business Investment Act of 1958, as amended, (2) an accredited investor, as defined by the SEC, excluding natural persons or entities composed of natural persons and excluding self-directed employee benefit plans with investment decisions made solely by persons that are SEC-defined accredited investors, (3) a qualified institutional buyer, as defined by the SEC, (4) a corporation, partnership, trust, estate or other entity (excluding individuals) having net worth of not less than \$5,000,000 or a wholly-owned subsidiary of such entity, as long as the entity was not formed for the purpose of acquiring the specific securities, or (5) a registered dealer actually engaged in buying and selling securities.

The sale of the Bonds to the financial institutions or other institutional investors listed above is not exempt if the financial institutions or other institutional investors are acting only as agents for other purchasers that are not financial institutions or other institutional investors.

The term "savings institution" includes any federally chartered credit union, savings and loan association, or federal savings bank and any credit union or savings and loan association chartered under the laws of any state of the United States.

An "accredited investor" has the same meaning as defined in Rule 501(a)(1)-(4), (7) and (8) promulgated by the SEC under the Securities Exchange Act of 1933, as amended, as made effective in SEC Release Number 33-6389, as amended in Release Numbers

33-6437, 33-6663, 33-6758, and 33-6825, excluding, however, any self-directed employee benefit plan with investment decisions made solely by persons that are accredited investors as defined in Rule 501(a)(5)-(6).

A "qualified institutional buyer" has the same meaning as defined in Rule 144A(a)(1) promulgated by the SEC under the Securities Act of 1933, as made effective in SEC Release Number 33-6862, and amended in Release Number 33-6963.

- Utah..... Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees.
- Vermont Provided the seller is a broker-dealer that has no place of business in this state and effects transactions in this state exclusively with the following, the seller may offer and sell the Bonds without registering as a broker-dealer in this state only to other broker-dealers registered or exempt from registration under the Vermont Securities Act.
- Virginia The seller may offer and sell the Bonds in this state without registering as a broker-dealer in this state to a broker-dealer, corporation, investment company or pension or profit sharing trust. ***This state requires the seller to be registered as a broker-dealer in Virginia in order to sell the Bonds to any other entities in this state.***
- Washington Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees.
- West Virginia Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-

dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees.

Wisconsin.....Provided the seller effects transactions in this state exclusively for the account of or exclusive in offers to sell or sales to the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to the following: (a) bank, savings institution, savings bank, credit union, trust company, insurer, broker-dealer, investment adviser, federal covered adviser or savings and loan association, if the purchaser or prospective purchaser is acting for itself or as trustee with investment control; (b) investment company as defined in the Investment Company Act of 1940, or a pension or profit-sharing trust (except that an offer or sale of a security to a pension or profit-sharing trust or to an individual retirement plan, including a self-employed individual retirement plan, is not exempt unless the trust or plan is administered by a bank, savings institution, savings bank, credit union, trust company, insurer, broker-dealer, investment adviser, federal covered adviser or savings and loan association that has investment control); (c) the state of Wisconsin or any of its agencies or political subdivisions; (d) the federal government or any of its agencies or instrumentalities; and (e) any financial institution or institutional investor designated by rule or order of the division of securities.

The term "financial institution or institutional investor" includes (a) an endowment or trust fund of a charitable organization specified in section 170(b)(1)(A) of the Internal Revenue Code; (b) an issuer which has any class of securities registered under section 12 of the Securities Exchange Act of 1934, and any wholly owned subsidiary thereof; (c) a venture capital company as a result of meeting any of the following requirements: (1) operating a small business investment company licensed under the small business investment act of 1958, (2) being a corporation, partnership, limited liability company or association whose net assets exceed \$1,000,000 and either whose principal purpose as stated in its articles, by-laws or other organizational instruments is investing in securities, or whose primary business is investing in developmental stage companies or eligible small business companies as defined in the regulations of the small business administration; (d) any "qualified institutional buyer" as defined in Rule 144A of the

Securities Act of 1933, whether acting for its own account or the accounts of other qualified institutional buyers that in the aggregate owns and invests on a discretionary basis at least \$100,000,000 in securities of issuers that are not affiliated with the qualified institutional buyer; (e) any entity, all of the equity owners of which are persons designated in this section, acting for its own account or the accounts solely of other persons designated in this section; (f) any "accredited investor" as defined and listed in sec. 230.501(a)(1), (2), (3) or (7) under Regulation D under secs. 3(b) and 4(2) of the Securities Act of 1933; and (g) any other person or entity whom the Wisconsin Commissioner of Securities designates.

Wyoming..... Provided the seller has no place of business in this state and effects transactions in this state exclusively with the following entities, the seller may offer and sell the Bonds without registering as a broker-dealer in this state to broker-dealers, banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit-sharing trusts, or other financial institutions or institutional buyers, whether acting for themselves or as trustees.

Very truly yours,

McCarter & English, LLP

THE COMMONWEALTH OF MASSACHUSETTS
\$469,365,000 General Obligation Bonds
Consolidated Loan of 2011 consisting of
\$462,840,000 Series B and \$6,795,000 Series C (BuildMassBonds)

FINAL BLUE SKY LETTER

June 1, 2011

McCarter & English, LLP
265 Franklin Street
Boston, MA 02110
T. 617.449.6500
F. 617.607.9200
www.mccarter.com

To: J. P. Morgan Securities LLC,
as representative of the Underwriters

Ladies and Gentlemen:

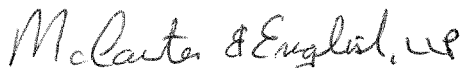
Reference is made to our Preliminary Blue Sky Memorandum (the "Preliminary Memorandum") dated May 13, 2011, and furnished to you with respect to the offering of the above-captioned bonds (the "Bonds").

Subject to the statements made in the Preliminary Memorandum, we confirm, as of the date hereof, the conclusions expressed therein.

BOSTON

Very truly yours,

HARTFORD



NEW YORK

McCarter & English, LLP

NEWARK

PHILADELPHIA

STAMFORD

WILMINGTON

J.P.Morgan

Closing Memorandum

TO: Working Group Members

FROM: J.P. Morgan Securities LLC

RE: Closing Instructions for:

\$469,635,000

Consolidated Loan of 2011

\$462,840,000 Series B

\$6,795,000 Series C (BuildMassBonds)

DATE: May 31, 2011

I. OVERVIEW

The following includes the information necessary to close the Commonwealth of Massachusetts 469,635,000 Consolidated Loan of 2011, Series B and Series C (BuildMassBonds).

II. CLOSING

The closing will take place on Wednesday, June 1, 2011 by conference call at 10 am. The dial-in number is available, as detailed below.

Dial in: 866-910-4857; Passcode: 571-279#

III. PURCHASE PRICE

The purchase price of the Series B and Series C (BuildMassBonds) is determined as follows:

Par Amount of the Bonds	\$469,635,000.00
Net Offering Premium	50,363,330.75
Total Bond Proceeds	\$519,998,330.75
Less: Underwriters' Discount	(2,030,907.24)
Purchase Price	\$517,967,423.51

IV. APPLICATION OF FUNDS:

The purchase price of the Series B and Series C (BuildMassBonds) will be applied as follows:

Application	Total
Application of Bond Proceeds:	
Project Account	\$517,967,423.51
Total	\$517,967,423.51

V. WIRE AMOUNTS

1) On the morning of Wednesday, June 1, 2011 **J.P. Morgan Securities LLC will execute a wire totaling \$517,967,423.51** to Sovereign Bank. The wire instructions are as follows:

WIRING INSTRUCTIONS

Bank: Sovereign Bank
ABA: 011075150
Account #: 00088880000
Attn: The Commonwealth of Massachusetts
Contact: Henry Clay
hclay@tre.state.ma.us

PLEASE NOTE FUNDS WILL NOT BE DISBURSED INTO ANY ACCOUNTS UNTIL THE BOND ISSUE IS CLOSED. UPON CLOSING, THE COMMONWEALTH WILL RETURN THE GOOD FAITH CHECK TO J.P. MORGAN.

J.P. Morgan

Jamie Oppedisano: 617-310-0570
Robert Pattison: 518-433-2506
Robert Dailey, Jr.: 212-270-3124
Gary Garay: 617-310-0654
Allyson Randolph: 212-270-0576

THE COMMONWEALTH
OF MASSACHUSETTS

\$469,635,000

GENERAL OBLIGATION BONDS, CONSOLIDATED LOAN OF 2011
CONSISTING OF

\$462,840,000 SERIES B AND \$6,795,000 SERIES C

JUNE 1, 2011

Prepared by:



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